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July 13, 1946

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AN EDITORIAL

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NEW SCAPEGOAT

AN EDITORIAL

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of **The China Weekly Review.**

Cardinal Tien

To The Editor:

Cardinal Tien has been very active in political fields, according to recent press reports.

He is advocating the third world war and urging that it be fought soon. It is said he is organizing a Catholic Party with the main objective of attacking the Communist Party.

A man who receives orders from the Vatican, the Roman Catholic Church, is receiving orders from a foreign state. The interference in other state's internal affairs by the Vatican is a well-known fact in history. They have no separation of the state and the church. Cardinal Tien's statement and activities are worthy of attention in this world which is threatened by a rebirth of fascism.

A PROTESTANT.

Shanghai,
July 5, 1946.

* * *

(Cardinal Tien last week denied flatly all statements concerning a third world war which he is alleged to have made in an interview granted the United Press. He further denied that he was forming a political party to fight Communism in China.—Ed.)

Hsia Kwan Incident

To The Editor:

Have we thought whether China is a democratic nation or not? In the eyes of somebody, China is only a democracy in name, but in fact she is not so. The first thing concerning the question is this. Most of the officials in China want to live with their power and influence. Under such circumstances, how can she become a true democratic nation in the world?

We are Chinese people, friends, and we should take up our own responsibility to do things for the public good of the community. On hearing the voice, I think, we should cry with our tears. There are millions and millions of students who, at present, have still shouted with their grievous hearts and minds against the civil war. They said, "We have no other reason, we only expect peace." On behalf of our people's sufferance, at this moment our delegates would go to Nanking to discuss peace with General Marshall between the Kuomintang and the Communists. They are all non-partisan peace delegates from Shanghai. Surprisingly, a number of delegates were severely beaten up by the mobs and now, they are in the hospital. The door of the hospital is guarded by gendarmes.

Under such a serious condition, I can frankly say this matter rests on our people's shoulders. One strange thing is that, according to the newspaper, in four hours of disturbance by the mobs, the gendarmes, constables and other officials had been there. Oh, this was a shameful thing in the capital of China! But it is an easy and simple thing for us to imagine, "Why is it so?" For such a funny thing, our people should ask the government officials to answer this question.

As we all know, Mr. Ma Hsu Lan was the chief among the delegates from Shanghai. He was formerly Minister of Education and a professor of Peiping University. He is sixty-nine years old. He has a strong spirit of enterprise to do things for the public good. His character is earnest and sincere in the social welfare. Consequently, the writer of the article has got a very good impression on the character of the delegates. I feel very sorry to hear those who were beaten up and who had become the victims of the mobs. Nowadays, however, we still desire to gain success in further discussion for peace by our delegates in Nanking.

WILLIAM F. BLACK.

Shanghai,
July 8th, 1946.

Sharp Contrasts

Dear Editor,

The other day I read in an English-language paper, deploring the way Shanghai's rich merchants and officials squander money in cabarets and restaurants while millions starve elsewhere in China. Well, would you be surprised to know that the same happens right in Kaifeng, the capital of the famine-flood ridden province of Honan? The contrast naturally looms bigger here.

Honan has seen more wars, droughts, famines, plagues, floods than any other part of China. The Yellow River, China's Sorrow, has been a source of more sorrow to this province than any others. Not very far from here lies miles and miles of desolate wilderness and flooded swamps. There people feed on grass roots and the bark of trees. The wretched state in which these poor farmers starve, suffer and finally die is beyond one's power of imagination. Investigators, prominent Chinese or foreigners alike, will do well to visit the stricken areas on foot rather than by airplane, train or automobile. Worst of all, local officials supplied them with false statistics.

Being the capital of a province stricken by famine you would think Kaifeng suffers like the rest of the country. That would be a gross mistake. Day and night, merchants and officials swarm at the city's restaurants, theaters and other places of amusement. They pay as much as $100,-

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FANG FU-AN, *Financial Editor* F. K. CHAO, *Business Manager*

Index for July 13, 1946

Editorial Paragraphs

Price Or Currency Control 139
Choosing A Scapegoat 139
New Rice Scandal? 141

Special Articles

Japanese Admit Chang Tso-lin Murder Guilt ..... *By Alfred Lee* 142
Leyte Guerrilla Leader Defends Hills ..... *By Edward Rohrbough* 144
Bureaucrat Capital Strangles Private Enterprises... *By Shen Chien-tu* 146
Hainan Islanders Celebrate God Of War Birthday 147
Lanchow Co-ops Hard Hit By Price Drops..... *By Urii Sdobnikov* 148
Shanghai's Interest Rates Up; Cash Tight 156

Departments

Letters From The People 133
News Of The Week 150
Events In Brief 154
People In The News 155
Who's Who In China 155
Business Foot-Notes 157
New Books Of Interest 158

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Contents of previous issues of The China Weekly Review may be found in the "International Index of Periodicals," copies of which are on file in most standard libraries.

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000 for a dish of delicacies, $10,000 for a fish, while half an hour of voice solo brings $1,800,000 to actress Chen Shu-chen. As a catty of flour here sells for $180 that half an hour's income of Miss Chen would buy enough food for a farmer to last 10 years.

Kaifeng is not behind cities like Shanghai in things like plastic belts, handbags, sunkist oranges and nylon stockings. While luxuries steam into this city, carloads and carloads of wheat, beans and other grains are being shipped away from the hungry because they fetch higher prices elsewhere.

I can find little explanation for these sharp contrasts and whenever I stop to think of them I feel a scathing pain in my heart. Meanwhile, I can't help feel sorry for the CNRRA and UNRRA people who are trying so desperately to save Honan's famished and sick.

DUCAN LEE.

Kaifeng,
July 1, 1946.

Conscription?

To The Editor:

The National Government has been reported planning a full-scale one-year military training program for China's students after graduating from middle schools. This plan will go into effect as from September this year. Both the public and the students themselves were surprised at such a foolish move of the government and the students here have formed a Student Associate Committee to petition to the government to give up the idea, but in vain.

The government said this plan will make China more militarily prepared in the event of future aggression by other nations. But this is no adequate reason for such an unnecessary undertaking, because all students have had three years of military training before graduating from middle school. If, then, it is a design to regiment or "purify" the "thoughts" of the students, it certainly is out of place in the China of today. Further, the government has far more important tasks yet to be accomplished, such as China's rehabilitation and industrialization programs, halting the inflation and the civil strife, and there are millions and millions in famine-stricken regions to be succored. Therefore, there is no need to appropriate such a huge sum necessary to undertake a program like this. Besides, one whole year to the poorer students is a long and precious time, in which they can help immensely in adding to the family's meagre income by going to work.

We must, fellow compatriots, cry aloud and keep on crying until the government abolishes this unwise plan.

TONG CHUN-CHO.

Chengtu,
June 10, 1946.

Bouquet

To The Editor:

I wish to take this opportunity to express my opinion on the Review. Among all articles I like the editorials best. When doing justice to current affairs you always stand on the side of the people, who ardently want peace and democracy. You have rendered a significant service in facilitating the one important means of communication of ideas with our allies.

Inspired by your beautiful English I always take the Review. No matter how busy I am in my daily work I must read the Review every day. You are to be congratulated on your enterprise.

MEIZ LOH.

Kweiyang, Kweichow,
June 17, 1946.

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Students Wanted

To The Editor:

I shall be glad if you could do me a favor by publishing this letter of mine. By getting this letter published in your paper I hope that some of my fellow Review readers or persons connected with readers of the Review, especially Europeans or Americans who speak English, might become interested in my school. The school offers such courses as Chinese literature, poetry, classics, philosophy, history, geography and the Chinese language itself, two hours a day. We don't want to collect fees from these prospective foreign students. What we want in return for their tuition is that they speak in English to those of our students who study English, as this will help both of them. I have a few quiet rooms and a garden where we can discuss the topics of the day in peaceful Chengtu.

My English is not very good but I know it well enough to explain even the profoundest philosophical theories. I am an old man and shall be 70 before long. I have spent more than 50 years in my study of Chinese classics, philosophy, poetry and others, after I graduated from one of the colleges in Peking at the end of the Ching Dynasty.

I have great respect for Mr. J. B. Powell and the valuable service he has rendered to China by way of your newspaper, and I plan, with your kind permission, to continue using the Review as one of our textbooks for those who major in English.

C. S. SHIE.

Chengtu,
June 25, 1946.

ARP Returning?

To The Editor:

I am sorry to learn from the Chinese newspapers that the reason for halting the time-siren is that the Anti-Air Raid Headquarters soon will resume its functions again. Whether or not this is a symptom showing the possibility of another war, it is anyhow ominous to the Chinese people.

China, having been tortured for eight years by war, urgently needs to recover her breath. Her people have prayed for a peaceful life throughout this time, but more than 10 months have elapsed since the Japanese surrender and they find themselves only in deeper water and misery. I doubt that peace would be so difficult of attainment if both the Government and the Communists really respect the wishes of the people.

I pray that God will pity our Chinese people, who first suffered a long and devastating war and now still are unable to see their traditionally peaceful life anywhere in sight.

DAVID K. CHEN.

Nanking,
July 1, 1946.

(The Sunday 9 a.m. siren, which was the target of many letters in the Review, and the weekday noon siren passed away on June 30, the official announcement merely stating instructions to discontinue had been received by the Garrison Commander's office here. Ed.)

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Attention, Please!

To The Editor:

My friends and I will be very grateful if you could be so kind as to give space to a letter of a group of civil servants maltreated as a result of the recent government regulation readjusting their salaries.

According to the regulation there should be considerable improvement in the pay of civil servants and school teachers throughout the country. But, as a matter of fact, the new treatment proves a disfavor to us working in Kunming, especially among those whose basic salary is under CNC$125 per month. A clerk with $100 as base pay got 160 times, making it $16,000, plus a living allowance of $50,000; the total was $66,000 per month. The new regulation, 200 times his base, makes it $20,000, but his allowance now is $45,000; total is $65,000. This means with the increment he receives $1000 less, where is the increase? Is this the way to improve his living conditions? With prices in Kunming soaring sky-high, how can a civil servant with four or five dependents live with that income?

We cannot help complaining. Why should Kunming be different from Chungking, especially prices in Kunming are twice as high as those in the latter? Prices in Kunming are even higher than in Shanghai. What is this difference of paying a Shanghai or Chungking civil servant more than one in Kunming of the same basic salary? It is unreasonable and absurd.

We strongly urge the government to reconsider the regulation and make the necessary revision at once, so that there is no more discrimination against us who serve our country as much as any body else.

S. Y. LU,
and a group of underpaid employees.

Kunming,
July 8, 1946.

Ex Post Facto

To The Editor:

Being an interested reader of your magazine and a careful self-taught student of English, may I take the liberty of asking you to enlighten me on the following points?

1. In your Letters from the People column of May 25, 1946, I have found the phrase "ex post facto" from a letter to you entitled Fascists In Hongkong. Is that Latin? and what does it mean?

2. In the same issue, on page 273 Col. 3 Line 3, there is such an abbreviation "TVA": Democracy on the march. Could you show me the original word?

Being well aware how busy you are, I hope I am not troubling you too much.

P. Y. WANG.

Pucheng, Shensi,
June 12, 1946.

(Mr. Webster says ex post facto stands for retrospective, as an ex post facto law is any law enacted with a retroactive effect. Thus, if you kill a man today in a society where there is no law against manslaughter, and 10 years from now such a law is passed ex post facto, you will be tried and convicted.

TVA stands for Tennessee Valley Authority, much the same as YVA stands, or will stand for Yangtze Valley Authority, when and if the work gets going at Ichang. Ed.)

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This time, however, I want to tell you of a most unexpected and, may I say, delightful experience with the Shanghai Telephone Company. My bill, through oversight and pressure of work at the office, fell overdue and, to be honest, was after the deadline, the phone rang one morning and I was served with a most courteous reminder that the account still was outstanding! Needless to say, I voiced my gratitude and hustled down-town pronto to square the account.

Well, Mr. Editor, that is real service and through your columns I should like to express my gratitude and appreciation to the telephone company, which certainly seems to be getting back to its high standard of service of pre-war days. More power to them!

H. C. MEI.

Shanghai,
July 8, 1946.

Yang Memory

To The Editor:

Readers of the Review are familiar with the case of Mr. Yang Chao, the famous reporter, who was arrested in Fukien Province by Third War Zone Headquarters in July of last year. After V-J Day he was sent to Hangchow and imprisoned there for several months. He was never tried, and the charges against him were never announced. In January of this year he suddenly became sick and was later taken to the hospital. He died on January 11.

Mr. Yang was one of the few well-known Chinese military analysts and experts on international problems. During the War he worked as a reporter on the Sin Tao Jih Pao in Hongkong, as editor-in-chief of the Ta Kang Pao in Hengyang, as research specialist of the Social Science Institute of the Fukien Provincial Government, and as editor of the Yungan Office of the U.S. Office of War Information. His writings and translations have been published in many newspapers and magazines, and his works are highly regarded in Chinese literary circles.

Mr. Yang was arrested on no specific charge, and he died unexpectedly while he was in confinement. He left his grievances unredressed. After the outbreak of the War he had traveled in the interior and had done his part in fighting the enemy. He left no money, and his remains have yet to be buried. His works have to be published and his family has to be taken care of. Mr. Yang's remains were brought to Shanghai by Mrs. Yang last May, and they are still waiting at the undertaker's.

The undersigned are friends of Mr. Yang's, or admirers of his personality and his work, or people who feel sympathy because of what he went through. We now, as sponsors, propose to raise a fund in memory of Mr. Yang, part of which will be used for his burial expenses and for his family, while the rest will be set aside for the "News Freedom Fund," to encourage young reporters in China who have shown special talent in their work. (The details of this fund will be announc-

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ed separately) We sincerely hope that all circles will support us.

Liang Sou-min, Propessor of Philosiphy;
Kuo Mo-jo, literary writer;
Liu Tsun-chi, former chief Chinese editor of OWI;
Hsu Chu-chen, chief editor of Wen Hui Pao;
Ma Ssu-tsung, violinist;
Yung Fu-shi, playwright.
John Fairbank
Christopher Rand
Edward Rohrbough
Graham Peck
John W. Powell

Student Slaughter

To The Editor:

In your editorial about the student slaughter you said an investigation should certainly be held to determine absolutely whether or not such a thing actually occurred. I would like to know if you have heard anything so far from the authorities. Did the butchery really take place, or was it just rumor or propaganda?

I am sure many of your readers will be happy for you to publish an additional installment upon the first one so that they may learn the true facts of this thing. I am eagerly awaiting to see your next regular issue of the Review to learn.

KING CHUNG-JEN.

Shanghai,
July 9, 1946.

No?

To The Editor:

I am surprised at your being taken in by that obvious bit of Communist propaganda about the slaughter of students in Hsuchow. The only other paper in Shanghai to mention this incident, if it ever really happened, was the Wen Wei Pao. I think that since nothing has happened since your two papers gave the rumor prominence, we can be sure that none of our government's soldiers would ever behave in such an improper manner.

I think you have been fooled.

C. P. CHOY.

Shanghai,
July 10, 1946.

Yes?

To The Editor:

You are to be congratulated upon your industry and outspokeness in printing the editorial last week about the Student Slaughter. Such things happen often in China and rarely do they get in the press despite the fact that there is now no censorship.

I don't know how the government and other private interested parties always manage to suppress the news except that most of the papers and publications are owned by important influential people who tell their papers what to print and what not to print.

This last example of fascist type militarism is about the worst we have heard of in a long time. Surely now the government will know what its soldiers do and will do something to stop such brutal actions.

KUNG KENG-HU.

Shanghai,
July 7, 1946.

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密勒氏評論報
A Weekly Newspaper Established in 1917

The editorial pages present each week the opinions of the editor. The other pages of The China Weekly Review are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 102 Shanghai, Saturday, July 13, 1946 No. 7

Price Or Currency Control?

THE obituary to the demise of the OPA in the United States has gone further than Mr. & Mrs. America's pocket-book. To be precise, OPA's end has had the most startling effect in Nanking, where Minister of Economics Wang Yun-wu has decided that what this country needs is a good five cent's worth of price control. No doubt the news of what has occurred in the United States since OPA was bowed out, has made him see an illusionary handwriting on the wall. He has therefore decided exactly nine years after the outbreak of the war, and almost a year after its termination to bring in price control.

Speaking to the delegates of the national Economic Planning Conference, pundit Wang Yun-wu explained the cornerstone of his economic policy: Price Control. His blueprint for economic victory is as simple as it is impractical. In fact, it's as simple as dividing the country into seven or eight "economic areas" and enforcing price control only of essential commodities. Having tossed that one off, Minister Wang declined to give details of just how he, or for that matter anyone else, would or could dovetail the beautiful theory with all too-somber realities. Quoth Minister Wang:—

"I am interested in action rather than words." So is the public.

We will venture to suggest that what Minister Wang should have said, and what he perhaps meant, was that currency control was the thing for this country. For you cannot, at one and the same time, have stable price control and non-existent currency control. To speak of price control without currency control is like placing the proverbial financial cart before the economic horse. And if it hasn't worked elsewhere one fails to see how it can work in China, of all places.

But, for the sake of argument, let us assume that the plan is put into operation. The country is divided into "seven or eight" areas. Just how large will each economic administrative area be? As large as almost any European country, no doubt, and even larger than most. How many people will there be in each area? Even the official census will provide precious little information. So no-one knows the number of people that will have to be supplied, and certainly no-one knows what supplies are available. So what possibilities for price control?

But wait. There is still the question of the administrative machinery. Where are you going to find the officials? Will a policy of price control entail less or more official participation in the economic affairs of the nation? Will a government monopoly of certain essential supplies curtail malpractices or increase them? That question, we note, was not taken up. And we don't wonder why.

Text books on economic theory are all well and good, but good old common sense is infinitely better. It stands to reason that before currency control becomes a reality (which is still something looming very far off in the distance), no price control is possible. It would take years and years before a passably efficient rationing and distribution system was perfected. And meanwhile there would exist a system of price control that was no price control.

China may in theory be a single, national economic entity. For most practical purposes, it must sadly but nevertheless truthfully be admitted that China is like a number of economic units, each with its own problem (the Honan famine region being but one) and each with its own level of prices and supplies. You can consider the whole as a whole on paper, but try doing the same thing in practice. Yet the former is what Minister of Economic Affairs Wang has taken for granted.

A thing like the OPA may be possible in a well-organized economic unit like the United States. But in China? We leave the reader to make a comparison. China's solution to sky-rocketing prices should be as different from that of the United States as are its economic maladies. In the case of price control as a cure-all for China before currency control has become a reality, better no prescription at all, than one which can only hasten an end which may not come if the patient is left alone. There are already too many financial quacks in the large cities of this country, without there being a necessity or desire to extend their operations into the surrounding countrysides. Price control would bring the last into being, far sooner and with more destructive effect than anything we could think of.

Currency control? By all means, and the sooner the better. Price control? Not until the price is quoted in terms of a currency that has two firm limbs to rest upon.

Choosing A Scapegoat

THE campaign to blame all of China's economic ills upon a scapegoat reached a new high in ridiculousness last week when Benjamin Yarovoy, writing in the Moscow newspaper Izvestia, blamed foreign (British and American) businessmen for the chaotic economic conditions prevailing in China today.

Replete with outright factual errors and half-truths, Yarovoy's article skimmed blithely over the fundamental causes for China's difficulties, such as the civil war and the man and nature-

ravaged countryside, and proceeded to trace all difficulties to British and American doors. While Yarovoy's poor economy might be excused since, we may be allowed to presume, he is a product of Communist Russia and thus cannot be expected to understand the workings of an economy not directed at bayonet point, his obviously malicious intent cannot be ignored.

As an example of how foreign business interests are attempting to infringe upon Chinese sovereignty, Yarovoy said: "Following the end of the war agents of foreign companies secured the return of property located in various areas occupied by the Japanese. . . . "

Although Yarovoy felt outraged because Americans and Britons, who, along with their Chinese allies did most of the fighting and dying in the war against Japan, were able to secure the return of their legitimately-owned property, he, needless to say, either failed to perceive or conveniently forgot the effect upon China's economy of the Russian looting of Manchuria in which property definitely belonging to China was openly stolen by the Soviets.

In saying that the American oil companies were among the greatest exploiters, Yarovoy revealed his complete lack of knowledge of what is actually going on in China and demonstrated how ridiculous the Soviets' controlled news policy can make its commentators appear, since it furnishes the home folk with only what it wants them to know and believe, regardless of what the facts may be.

Unless we are to believe that Izvestia's commentator was deliberately distorting the facts for home consumption and had not reckoned on Tass broadcasting his remarks to the world, we must believe that he undoubtedly was sadly lacking in accurate information.

First of all, the American oil companies are operating in China under the close supervision of the Central Bank which, we understand, sets the price of oil and gasoline. Obviously some control is maintained because gasoline and other petroleum products are comparatively cheap today. At times the local price almost equals the American domestic price, although the petroleum must be shipped across the Pacific and pass Chinese customs.

Meanwhile, the Chinese Government has set up the China Petroleum Company under the directorship of former Minister of Economic Affairs Wong Wen-hao and frankly announced that in the future this concern will be China's petroleum instrument, controlling the production, refining, import and sale of petroleum products.

Another example of exploitation, according to economist Yarovoy, is the outrageous conduct of the foreign banks. "Eleven foreign banks," he says, "resumed their activities . . . and immediately requested permission to conduct not only ordinary banking transactions, but in foreign currency."

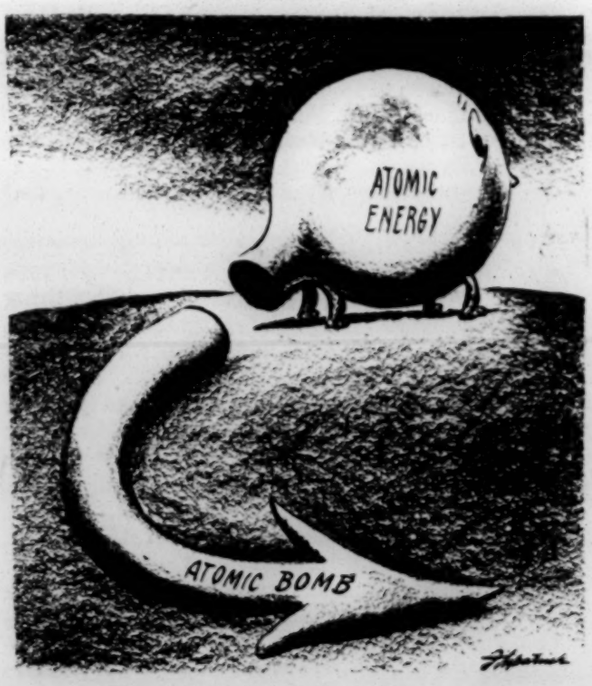
Obviously, Yarovoy is not aware of the large amount of trading in foreign currencies which takes place in virtually all the great ports of the world. Naturally, basing one's assumptions on the Russian system, no such thing is necessary since Moscow simply sends a few shiploads of wheat or other produce to a foreign port, has government agents sell it and purchase as many manufactured products as the money will buy and ship it home again.

Also overlooked are the Central Bank's exchange regulations which, in addition to imposing a false exchange rate which devalues all foreign currencies to the profit of the bank itself, makes it the sole foreign exchange bank in the country.

We would suggest that Benjamin Yarovoy could do with a trip to China. He still might not understand the democratic system which allows a measure of personal freedom in the conduct of one's business, but he certainly could observe enough so that when he returned to the Kremlin he would not write so much naive nonsense.

We do not wish to say that all is rosy and that there is no exploitation. Certainly there is exploitation. We have said so on many occasions. Only last month we pointed out how many a foreign carpetbagger was actually stealing China's foreign exchange by importing great quantities of cheap knicknacks and dime store junk. However, the legitimate foreign businessmen, as well as the legitimate Chinese businessmen, play a vital role in keeping the country's economic life functioning through the import and export of merchandise, and we do not like to see them blamed for things with which they have no connection, especially in difficult times like these when so many are losing their proverbial shirts.

NEXT NEEDED SPLIT



Fitzpatrick in the St. Louis Post-Dispatch.

New Rice Scandal?

AFTER months of oratorical effort and petty plans, the Shanghai Municipal Government, several weeks ago, decided to go the whole hog and "put the screws" on local rice merchants. So dealing on the rice mart was closely checked by the municipal authorities and the quotations, by hook or by crook, pushed down some 25 percent or so. Following this, in an effort to keep down the price of rice, all stocks in the city were ordered registered. Having provided the populace with another exhibition of its prowess in "taking action," the guardians of the people's livelihood settled down to some well-earned public acclaim and gratitude. Or so they expected.

But today China's John Doe wants to know where he can get edible rice at the price approved by the municipality. He knows all rice stocks have been registered. He knows the merchants no longer dare to go on a price skyrocketing spree. And—he knows that he can obtain no rice.

Somehow this best conceived of all plans seems to have misfired. Somewhere theory broke down before practice. But where? John Citizen is still trying to figure things out. And he will continue trying until doomsday, unless teeth are put into the rules and regulations drawn up by the great theorists who people the municipal administration building.

This is where the situation rests today. All (with qualifications, of course) of the rice in the city is registered. The civic authorities know where the rice is. They prohibit the sale of the staple grain at a price over the officially-sanctioned quotations "ruling" on the rice mart. So the dealers just keep to themselves, and the rice with them. Because the magical formula worked out by the theorists has been divorced from practical application. That in a nutshell is why the quotation for rice is low, supplies available to the public even lower, or non-existent.

Clearly some remedy is needed. The loophole provided rice dealers is that while they may not sell at a price above the officially-sanctioned ceiling, they can hold on to their stocks as long as they please, weather permitting. In other words, the municipal authorities have made no provisions for preventing hoarding, which is, and has always been, pitfall No. 1 in all such altruistic attempts to protect the livelihood of the people.

The only means of getting out of this dilemma is to make it *compulsory* for rice dealers to unload their supplies on the market, or else.....Mere words will accomplish nothing, for the powers of persuasion are not what they used to be in this country, for money has taken the place of myth. And the only way to make the sale of rice to the public compulsory, is to scare the living daylight out of the rice merchants by forcing them to do that very thing which they refuse —to sell to the public at a reasonable profit, minus the customary dividend from hoarding.

This can, and should, be accomplished by employing a legal argument utilized in almost every other civilized country during emergency periods. The municipal government must decide on a fair price for the grain. It must then give the rice dealer two alternatives:—

a) To sell rice to the public at the official price

or *b*) To sell the rice to the authorities, who will then retail it to the citizenry.

All that is necessary then is the issuance of an order to the above effect. The price of rice can be fixed from time to time, and the merchants must be ordered to sell a certain percentage of their registered stock at a certain interval of time, failing which the government will help them to help the people, by itself purchasing the rice and retailing it to the citizens.

This is the last loophole leaving a legal avenue of escape to the rice merchants. It legalizes hoarding. And it can only be removed by the means suggested above. The municipal authorities may perhaps not realize it, but unless they act with more than their usual alacrity, a new rice scandal is taking shape. So far very little rice has been confiscated on the grounds that it was not duly registered. This leaves one of two conclusions:—

a) Some questionable practices have resulted in "hushing up" cases of non-registration.

b) All the rice in the city has been registered.

If the former holds true, then there is bound to be a scandal. If the latter, then why cannot the city authorities force merchants to sell to the public? The best way to see that the new rice scandal in the making never takes on the shape and form of an accusing finger is to enforce the above suggestion. Theories can wait, but an empty stomach cannot.

25 Years Ago In Millard's Weekly Review Of The Far East

Gambling Out

July 16, 1921.

Gambling in all its forms has been prohibited and actually stopped throughout Kwangtung Province....The suppression has resulted in less lawlessness and petty thieving and better morale. At the same time it has deprived the government of between 9 to 10 million dollars annually in revenue.

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Rockefeller In China

John D. Rockefeller, Jr. is expected to arrive in Shanghai en route to Peking on the next trip of the s.s. Empress of Asia, to be present at the opening ceremonies of the Rockefeller Foundation in Peking.

10 Years Ago in The China Weekly Review

Open Door

July 11, 1936.

Asia Magazine contains an article by Nathaniel Peffer, well-known American writer on Far Eastern topics, who declared that the "Open Door" in China "is and always has been a myth." He said the Open Door Policy was invented by Great Britain about 1900 when England was the strongest power in the world and industrially, commercially, and financially the most advanced and efficient. England was finished with territorial expansion and desired free economic access everywhere.

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Capitalists Flayed

Hidekichi Wada, editorial writer of Chugai Shogyo, has been writing some slashing articles on the economic situation in Japan (flaying the big feudal families such as Mitsui, Mitsubishi, Yasuda, Sumitomo and Okura). The articles are of peculiar interest because of the inroads of Japanese industrialists in North China, where cotton, coal, iron, railway construction and communications generally are being developed as part of Japan's plan to dominate North China economically.

Guilt In Chang Tso-lin Murder Finally Admitted By Japanese

By ALFRED LEE

MARSHAL Chang Tso-lin, overlord of Manchuria and at the time Dictator of North China, died on June 4, 1928, the target of a carefully-planned bombing plot coldbloodedly carried out by a clique of ultra-nationalistic officers of the Japanese Army in Manchuria. The assassination of the one-time Hunghutze ("Red-bearded") bandit, while not the first, was one of the outstanding events in China which committed Japan to the expansionist policy which led on December 8, 1941, (Shanghai time) to the Pacific War, to Japan's participation on the side of the now defunct Axis in World War II.

Testimony of former Premier Admiral Keisuke Okada, before the Tokyo War Crimes Tribunal on July 2, 1946, explicitly confirmed this long-suspected fact, one clouded in doubt by a shroud of mendacious propaganda in the form of "official statements" contradicting the testimony of witnesses on the spot. These officers, said Okada, "arranged on June 4, 1928, that the train on which Chang Tso-lin was traveling from Peiping to Mukden should be wrecked by explosives placed on the tracks just outside Mukden. Chang Tso-lin was killed in this wreck, as planned."

Why Chang Was Killed

Chang Tso-lin had been working hand in glove with the Japanese expansionists for some considerable time and there long had been open speculation, both in the Chinese and international press, that he had reached some secret agreement with the Japanese Army which had for its purpose opposition to the northward march of the Nationalist armies under Generalissimo Chiang kai-shek. Over-ambition and failure to heed his Jap masters brought about Chang's sudden and violent death, the sensation of 1928.

Okada made this clear in his Tokyo war crimes testimony. Okada recalled that during the 1928 period of the civil wars in China, Chang Tso-lin had invaded North China and established his headquarters in Peiping. This action infuriated the Japanese Army in Manchuria because Chang did not have its consent! When the Manchuria warlord was defeated and wished to withdraw to Mukden, Okada continued, the Japanese militarists decided to kill him, and did.

To show the power and ruthlessness of this clique of so-called "young officers" in Manchuria, Okada testified that these officers had completely isolated General Shingeru Honjo, their commanding officer, and cut him off from all communication with the affairs of the army. Chang's death encompassed, Okada said, "it became apparent to all in Japan that it was only a matter of time until the army should undertake the occupation of Manchuria." That the Japs did do this is history today, even if the chain of events thus launched in 1928 does not seem to have yet completed its cycle.

Stranger Than Fiction

Transparent though the Jap machinations of that time have become today, no such clear-cut certainty existed in 1928, thanks to the machinations of the Japanese. Chang Tso-lin's death, the printed records show, was not confirmed until almost three weeks later. While the story of the bomb explosion was flashed around the world within 48 hours, the first stories merely reported Chang Tso-lin to have been injured. Chang's Jap advisers, the Jap Army in Manchuria and Jap consular and diplomatic officials deliberately fostered tales of an "assassination plot" in which the blame was directed at everybody except the guilty.

One of the first reports of the bomb explosion, filed by Reuter out of Tokyo, said: "According to an official report received at the War Office today, Marshal Chang Tso-lin and General Wu Chun-sheng, Governor of Heilungkiang, were slightly wounded and several members of their suite killed or wounded as the result of a bomb outrage when their train was nearing the Mukden Station." Two days later, on June 6, in Mukden, Colonel Doihara, Japanese adviser to the Peking Government, who later became notorious as "Japan's 'Lawrence' of Manchuria," stated, on withdrawing from Marshal Chang Tso-lin's residence at 4.30 p.m., that "Marshal Chang's left arm was fractured, his right arm dislocated, his head and forehead injured and he he is suffering from concussion of the brain and still has fever. He is, however, improving." Chang had been dead for two days at the time this reassuring statement was released.

Official Fairy Tale

One of the official Japanese falsehoods, released through the Japanese Consul-General at Manila and published by the Manila Daily Bulletin, was based on "an official report telegraphed to the Foreign Office by the Japanese Consul-General at Mukden" and, after detailing the demolition of Chang's train, told of the finding of a bomb of Russian make on two suspicious Chinese killed a couple of hours before the explosion. An extract reads:

"At about 3:30 a.m. on June 4th, the Japanese gendarmes discovered three suspicious Chinese to the west of their (Shenyang) station. The sentry demanded who went there, but the Chinese tried to flee and the Japanese were obliged to kill two of them, one escaping. In the pocket of one of the dead was discovered a bomb of Russian make and a torn letter in the Chinese language in an envelope bearing the address of Yayoicho, Japanese concession along the South Manchurian railway, and the name of Ling Yin-ching, entitled (?) commissioner for the three Eastern provinces.

"Toward dawn, street traffic became heavy with Chinese coolies, but nothing of any consequence happened. At 5.30 a.m. suddenly an explosion was heard and instantly light machine guns were shot in all directions by Chang's guards, who jumped down from the wrecked train. One bullet hit the Japanese gendarme station, but the Japanese refrained from shooting back. Chang's men, excited by the incident, shot at random and did not mean to aim at the Japanese. They soon ceased to shoot and immediately afterward, the Commander-in-Chief of the Chinese Gendarmes, Tsai, arrived, followed by automobiles. Chang Tso-lin and others were carried by automobiles toward the walled city. At the explosion spot many dead bodies of coolies and others were lying.

"Chang Tso-lin and Yu Kuo-han, Assistant Chief of Staff, are said to have been slightly wounded while Wu Chun-sheng, Tuchun of Heilungkiang province, and Mo Teh-hui, Ministry of Agriculture of the Peking Government, were seriously injured.

"The Manchurian railway was wrecked, while the Peking-Mukden railroad suffered no damage. The explosive seems to have been installed at the bridge beforehand and exploded by an electrical device."

Beneath this extract from the "official report" to his Foreign Office by the Japanese Consul-General at Mukden, based in the main on the findings of Consul N. Uchida (whom he sent to the spot), there appeared in The China Weekly Review of June 23, 1928, a brief item announcing that "A joint inquiry was made by the Japanese and Chinese authorities at Mukden into the bombing of Chang Tso-lin's train at the end of last week, but when the time came for signing, the Chinese authorities refused to sign, according to a Toho News Agency telegram from Mukden dated June 23.

Month-Old Mystery

The flood of reports and denials of Chang's death continued week in, week out and in its issue of July 7, 1928,—five full weeks after the bombing and Chang's death—The China Weekly Review had this to say editorially: "It is now a month since Chang Tso-lin's train was bombed while it was passing under the viaduct of the South Manchurian Railway near Mukden. The incident occurred on June 4 and it is now established that the erstwhile warlord of Mukden and later Dictator of China probably died a few hours after the explosion, although official announcement of his death was not made until several weeks later. So far there has been no definite news as to how the bombing occurred.

"Shortly after the bombing took place the Japanese government announced that an investigation was being made and that the findings of the investigation commission would be made public 'within a few days.' These few days have lengthened into

a month and still there is no announcement by the Japanese authorities. The area in which the bombing occurred has, by long-standing agreement, been patrolled by a permanent Japanese railway guard placed along the lines of the South Manchurian Railway.

"As has been pointed out previously the bombing occurred in daylight. Japanese sentries were behind sandbag barricades a few feet from the spot where the explosive was touched off; also Japanese patrols had been traversing the area for days before the disaster occurred. Hence the fact the Japanese Government has not published its findings, if any, with regard to the explosion has left a bad taste. To date Tokyo does not know who set the bomb off or how it was set off, whether or not any of the perpetrators of the murders have been captured, or the motive for the crime."

"Deserves No Sympathy"

It must be appreciated that by mid-June of 1928 it was generally accepted as a fact that the Manchurian overlord had been "bumped off," but still there was some speculation as to whether he was actually dead. One Shanghailander, in a letter to The Review, had this to say:

"Concerning the bomb outrage at Mukden, the Japanese have again broadcast lying propaganda just as they did regarding the Tsinan affair. Apparently this is another pre-arranged plot to finish Chang Tso-lin and to deliberately create a tense situation in Mukden as an excuse for sending more troops 'to protect their special rights and interests.' A Reuter dispatch from Mukden dated June 7 is very illuminating. The concensus among well-informed circles is that the Japanese authorities did the bombing and shifted the blame on the imaginary 'plainclothes Southern soldiers.'

"So far as Chang Tso-lin is concerned, whether he is dead or seriously wounded, he deserves no sympathy from all patriotic Chinese. He has sold the Manchurian provinces for a new lease of power. His crimes merit a violent end. Hitherto Chang has been a mere tool of Japanese imperialism. Now that his Japanese masters consider him no longer useful, they ruthlessly put him out of the way. Prior to his evacuation of Peking, the Japanese told him to fight a decisive battle against the Nationalist armies. But he acted contrary to Japan's wishes, and was hemmed in at last.

"S. K. Chen."

Chang's Last Hours

All of the earlier accounts had supported the theory that the railway had been bombed at the very moment that Chang Tso-lin's car was passing over the spot at which it had been planted. Shanghai learned of the other, and more probable theory—that the bomb had been secreted in Chang's luxurious special car—a month after it happened. The now defunct Manchuria Daily News, edited by Japanese at Dairen and maintained by the South Manchurian Railway, advanced this belief in the following account, which was reprinted in the Review of July 7:

"The last hours of Generalissimo Chang Tso-lin, whose meteoric ascent in the political firmament of China from a brigand near Hsinmintun in the course of a little over 20 years, is the wonder of all who know his history, were sadly tragic. They were worthy of a veteran general, as he was one, who died a heroic death in the thick of a battle.

"At 5.40 a.m. on June 4th, Chang Tso-lin, after the car in which he traveled was blown up, was helped out of the car by Major Giga, a Japanese adviser. As Chi En-ming, in charge of the Gendarmerie, galloped up at the news, Chang was already dying. The face took on a dark color. The blood flowed copiously from the nose. So with the wound in the left arm. Nothing could be done in a professional way. About 20 minutes were spent in getting a motor car in the hire of the Mukden Spinning and Weaving Works and bringing it to the spot. No first aid treatment was administered in the meantime.

"Fifteen more minutes elapsed as Chi En-ming, Tao Shang-ming and Major Giga escorted Chang to the Generalissimo's office within the walls, the Japanese major getting off the car at the West Gate on the way. In the meantime the floor of the car literally was flooded with Chang's blood. At the Generalissimo's office, Chang was carried to the councillors' room on a stretcher. As he got inside the room, he vomited a large quantity of blood. Surgeon-General Yao and Chang's family were present and had to look on, helpless.

"A British physician, an intimate friend of the 'Young General,' residing at Hsiaohoyen, was summoned. He repeated camphor injections, but the distinguished patient expired at 10 a.m., that is, a little over four hours after the bombing incident. On June 6th, two carpenters were called in from the Mukden Arsenal to make the coffin and the remains then were placed in it.

"Engineer Wang Chang-chun of the Mukden Arsenal, a member of the Chinese Committee of Inquiry who conducted a joint investigation of the scene of the recent bombing incident with the Japanese, has made a startling report to the following effect:

"Judging by the wreckage of the railway cars left upon the ground, the bomb that worked such terrible havoc is believed to have been fitted inside one of the cars. By 5:30 a.m. on June 4, the sun was already up. If the bomb had been laid on the railway track, it could not fail to have been noticed by some one of the 50 Chinese patrols. If the bomb had been left suspended beneath the viaduct, the destruction of the locomotive would be inexplicable, and, again, the bomb could not have escaped notice. Therefore, the only conclusion to be drawn is that the bomb must have been laid inside the car. A bomb of some extremely ingenious design was fitted in the State car in which Chang Tso-lin was riding and exploded by an electrical fuse."

This was all very neat and clean-cut, but the tale immediately drew from Wang Chang-chun a bald repudiation, for Wang wrote the Manchuria Daily News denying that he had made such an investigation or made such a statement.

With one-time Premier Admiral Okada's revelations in his affidavit to the Tokyo war crimes court, the veil of doubt regarding the perpetrators of the bombing outrage has been rent, but uncertainty seems likely to continue as when Chang Tso-lin actually died and as to the manner and place in which the assassins placed their deadly missile.

Capital Outflow From U.S. To Decline

CAPITAL outflow from the United States to foreign countries will probably begin to decline after reaching a peak in the next year or two, and thereafter imports should rise steadily as foreign nations begin paying off their debts, the Department of Commerce said last week.

During the next five years, if generally favorable conditions prevail at home and abroad, and if U.S. long-term investments and loans are carried out as now contemplated, U.S. exports might reach between US$11,000,000,000 and US$12,000,000,000. U.S. loans and other foreign investments, both public and private, are expected to total US$30,000,000,000 by 1951, including some US$10,000,000,000 of pre-war investments.

The heavier the U.S. foreign loan and investment program is, the more urgent it will be for the United States to adopt commercial policies conducive to a rapid growth in imports in order to offset interest and amortization charges, it was pointed out.

Officers Arrested For Anti-Civil War Spirit

SOLDIERS deserting from the 24th Division, unwilling to be sent to Manchuria, were the cause of the arrest of the Commander and Vice Commander of the Division and their detention in Nanking.

The Commander of the 24th Division is Lung Shwun-tsu, the second son of Gen. Lung Yun, former governor of Yunnan Province. The division was formed from the Independent Brigade under the auspices of the Military Affairs Commission, following Governor Lung's removal.

It is reported that Loung Yin Kuei, the vice-commander of the division and all the officers were summoned before Gen. Ho, the commanding general of the region, charged with not preventing soldiers from deserting, and arrested on orders from Gen. Chiang.

Greek Plebiscite Sept. 1

The Greeks' bitterest political dispute is scheduled for settlement September 1, which date has been set for the holding of a plebiscite on the return of King George II.

Leyte Guerrilla Leader Still Defends Hills Against U.S., Filipino Forces

By EDWARD ROHRBOUGH

Tacloban, June 28

GENERAL Douglas MacArthur slept here peacefully enough, if you believe local rumor, but there's some doubt as to whether the slumbers of Colonel Rhodes Arnold, present commander of Tacloban's Base K, are equally placid. MacArthur had only Yamashita and various other minor worries on his mind. Arnold has the post-war battle of the red tape to fight, and he also has Captain Cinco—Captain "Five" in English.

"We are not afraid of Cinco any more," a sergeant told me. "We were uneasy for awhile, but now we know he doesn't have any more than we have at the base."

"Any more" meant any more guns. Most of the four thousand soldiers here believe Cinco has more men, though I have heard some officers estimate his force at no more than 600. The usual guesses are between 2500 and 10,000 and some who have talked with Cinco say he has as many as 23,000 guerrillas who have not laid down their arms.

American Deserters

He also has a number of American deserters from the Army and Navy, but no one seems to know how many. One officer at the base told me at least seven deserters help direct Cinco's action and that one of them is a former U.S. Army lieutenant. A resident of Tacloban, sympathetic to Cinco, says there are 40 Americans among Cinco's forces. A man of the American MP's who has led expeditions against the guerrilla chief says he has American carbines, Tommy-guns, bazookas, M-1 rifles and artillery including 105 mm field pieces along with plenty of ammunition.

Why has Cinco not laid down his arms? That's a moot question among both Americans and Filipinos, but all agree that his original break with Filipino and American authorities came while MacArthur and the Japs were still on Leyte and that it was similar to the controversy between the Hukbalahaps and the USAFFE on Luzon—the USAFFE being the guerrillas recruited from the landowner class. Like the Hukbalahaps, Cinco and his men wanted to treat collaborators just as they treated Japs. Like the USAFFE, the American sponsored guerrillas, recruited from the "substantial" business class, thought it better to deal gently with at least some collaborators. The upshot was that Cinco and his men were never recognized as legitimate guerrillas and they did not receive any pay or any arms—through authorized sources.

There is one other parallel between Cinco and the Luzon Huks and apparently only one. Most of his supporters are peasants from the back-country.

Ambition Obscure

Although no one seems to be sure of Cinco's motives at the moment, there is no talk of land or rental reforms. According to all sources, Cinco has won the sympathy of the people of the back-country, but not by political promises. Perhaps he merely seems more like the old guerrilla heroes, Aguinaldo and Rizal, than any other contemporary patriot.

A lieutenant-colonel of the local U.S. Army Base told me Cinco wants more than anything else for his men to be incorporated into the Filipino Army, as he promised them during the war against Japan, and he wants them to receive the back pay he has promised them. The lieutenant-colonel thinks, too, that Cinco is fishing for a position for himself either in the government or in the army and that he has a good chance of getting it. Only a few weeks ago, the American said, Col. Ruperto Kangleon, famous Leyte guerrilla and first governor of the island after the Liberation, made a statement to the effect that if Cinco would come in and give himself up to the proper authorities, he would probably receive clemency. The American thinks Kangleon's statement was probably a trial balloon.

The status of Cinco is further obscured by the fact that, according to all sources, Cinco campaigned vigorously for Manuel Roxas. Some have alleged that he used terroristic methods, but those opinions may be discounted since the same people say Cinco holds his support among the peasants by terroristic methods, though they admit the Japs were never able to gain any support that way. However it was, Cinco seems to have supported Roxas and since everyone else supported Roxas around here, the defeat of Osmena must have been something close to unanimous.

Anti-Chinese Sentiment

Here as on Luzon, Osmena's half-Chinese ancestry probably had something to do with his political defeat. As in Manila, Chinese in Tacloban own the more prosperous businesses and American officers have told me Chinese bought 95 percent of the war surplus materials sold here and resold such materials at large profits.

"They're just smarter than the Filipinos in finances," said the officer.

There is certainly an anti-Chinese feeling among Filipinos here. One checker of cargoes told me, "If China is ever united, she will conquer the Philippines and when she does, what will happen to the Filipinos? We will become extinct. Look how many Chinese there are."

And there was no argument that would alter that Filipino's views one iota. He was one of many who opposed Osmena because of his Chinese ancestry. "Osmena would have given in with the Chinese," he maintained.

Cinco is not quoted in Tacloban on the Chinese question. In fact, he is not quoted here on any question except that of the future of himself and his troops. All hands agree he is playing a careful game at the moment, and that any move he makes will come after the realization of Philippine independence.

Defensive Campaign

I tried to get an inkling of the guerrilla's plans from one of his sympathizers here, but all my questions brought only one answer.

"Wait till August. If you're here then, you'll get a story."

Whatever the truth is about Cinco's military strength, his maneuvers of recent months seem to have been predominantly defensive. American MP's have made a number of expeditions into the hills to capture him, but they all turned back empty-handed after being warned by fire from cleverly laid ambushes. It is an indication of Cinco's lack of animus against Americans that casualties among the MP's have been few.

That attitude was demonstrated only a couple of nights ago here in town when a couple of ambitious young MP's followed a rumor of Cinco's presence out into the huts along the edge of Tacloban and were courteously disarmed by a Filipino who presented a tommy-gun to their rear.

American official attitude toward Cinco is not very definite, if you take Colonel Arnold's word for it. He says he intends to leave Cinco strictly alone and that American forces will not take action against the guerrilla even if they are asked to by the Commonwealth Government. I asked him what the official reasoning was behind the expeditions MP's have already made against Cinco.

"We hunted him as a pilferer, purely as a pilferer," said Arnold, and he explained that Cinco has at various times raided U.S. Ordnance Depots at Dulag and elsewhere. Later Arnold said, "A story about Cinco might embarrass the Roxas Government.

A lieutenant of the MP's, who apparently didn't understand the orders, told me, "We went after him at the request of the local government."

A Major Smith, G-2 officer, who doubles in brass as Public Relations Officer with the savoir faire of J. Edgar Hoover escorting the Caliph of Bagdad on a tour through Kansas, says righteously, "Cinco is a bandit."

Pleasant Personality

Unofficial opinions are more illuminating. Lieut. John Liloquist, who was stationed at Baruan in Cinco's hills, met the guerrilla a number of times and drank beer and attended dances with him on occasion.

"He's not a bad guy," says broad-shouldered Liloquist, "and I don't believe he's done half the things they blame him for. The people like him and there's no mistake about that."

Liloquist describes Cinco as a dark man of perhaps 35 who never wears a uniform and who is rather handsome. The guerrilla leader carries no visible weapon, though he is always accompanied by at least fifty men armed with carbines, tommy-guns, and U.S. Army .45's, Liloquist says, but the guards never create a disturbance. Cinco likes dancing and he frequently came in to Baruan to dance where he enjoyed himself while the guards sat quietly outside.

Cinco has been accused vaguely of robbery, burning and rape, but Liloquist doubts that he was guilty of any of those charges, though the American thinks he may have tortured some collaborators who fell into his hands.

"He takes towns sometimes," said Liloquist, "but he never really did any harm. I was in one town when he came, and it was like a western movie. There was a lot of shooting and Cinco and his men came into the town and then after a little while they went out again. No one was hurt."

Wants To Be Major

The most recent story about the guerrilla has to do with his rank. A captain in the Filipino Army, or Scouts, before Pearl Harbor, he is said to have notified local newspapers last week that he is now a major and will they please refer to him as such. The rank, it appears, carries more importance in his mind than the accusations against him.

But he has hundreds of supporters, if you can believe the stories, who know little of his military rank, but who call him simply Cinco, or "Five." If you go outside town, one hears, it is well to greet the first farmer you see by holding your hand, palm-up, fingers extended widely. That's the sign that means you're friendly to Captain Five, and it's the passport you'll need to travel unmolested through the hills where Leyte's strongest armed force waits behind its American guns for whatever future Philippine Independence will bring it.

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Bureaucratic Capital Steadily Pushing Private Capital Out Of Industry

By SHEN CHIEN-TU

THE battle royal now going on in China between one-party rule versus democratic parties and groups is also one of bureaucratic capital versus private capital.

On the one side is a defense of economic interests and strategic economic positions gained through more than 10 years of one-party rule and on the other is a desperate assault by private industrial and business interests pushed to the wall by Kuomintang economic dominance to clear the way for free competition and growth. This also explains why middle elements in China, such as the Democratic League and private industrialists and business men in China, are siding with the Chinese Communist Party in the fight for democratization of the present Central Government rather than with the Kuomintang.

Private Capital Hard Hit

Against heavy odds, private capital has steadily lost ground in its fight for existence. During the past few years, more than 1000 of the 1409 factories in Chungking, wartime capital of China, have closed down as a result of the Kuomintang economic control policy. This constitutes one-fifth of the total number of factories in wartime Kuomintang southwest and northwest China. Of these, all private iron and steel works and chemical industries have closed down while 181 machinery manufacturing factories, 17 electrical factories and half of the flour and textile industries, according to available figures, have collapsed. More factories in Chungking will continue to close down as factory owners are faced with Kuomintang control of the already congested communication lines following the return of the capital to Nanking.

The same collapse is also noted in other parts of Kuomintang China. More than 1000 factories are reported to have gone bankrupt in Kweiyang, capital of Kweichow province, while more than half of the private factories in Kunming have also collapsed. Most of the textile factories in Chengtu and Sian have been forced to close down. These are but a few figures of the price paid by the nation's industry for the growth of bureaucratic economic interests in China.

Great Financiers Appear

In the course of the 10 years' civil war since the Kuomintang-Communist split in 1927 and the Sino-Japanese War, the Kuomintang of Dr. Sun Yat-sen has imperceptibly become a citadel of bureaucratic capital. Leading Kuomintang politicians such as H. H. Kung, T. V. Soong, and CC Clique leaders Chen Li-fu, Chen Kuo-fu and Chao Ti-hua have become giant financiers controlling the economic life of the country.

The CC Clique controls two of the largest banks in China, the Farmers Bank and the Communications Bank

All heavy industries such as arsenals, electrical power plants, coal mines, iron and steel works, etc., were placed under the Kuomintang National Resources Commission, Mining Management Department, Fuel Management Bureau, and the Arsenal Office during the Sino-Japanese War.

Government Spreads Controls

The textile industry, for instance, was placed under the control of the Cotton Textile Management Bureau and War Necessities Office. Important Chinese exports such as silk, tea, tung oil, etc., were controlled by the Kuomintang Fu Hsing Company and the Chinese Tea Company. The Chinese Match Company was even formed to control the match-making industry.

The Chinese Food Company formed by the Food Department and the Farmers Bank under CC leader Chen Kuo-fu, brother of the head of the Kuomintang Organizational Bureau, Chen Li-fu, controlled food production.

The Kuomintang economic control policy during the war has in fact greatly strengthened bureaucratic capital by controlling prices, buying and selling, and supply of materials at the expense of private Chinese capital without party pull or power.

Enemy Property Factor

Taking over of enemy property in recovered areas after the Jap surrender has also provided unprecedented opportunities for the growth of bureaucratic capital. Private industrialists such as the Middle and Small Factories Association in Chungking appealed in vain for a fair distribution of confiscated enemy property to help factories downed by the war. Taken-over electrical power plants, iron and steel works, coal mines, machinery, ships, shipyards, paper mills, food and chemical industries passed into the hands of bureaucratic capital. Though a few factories were supposedly put on sale, they were snapped up again by bureaucratic capital. It is reported that requests of private industrialist Wu Yun-chu to buy these factories were rejected.

Peace in China will in fact find bureaucratic capital firmly entrenched in all the strategic industries of China except the communist-led areas. Strategic and vital economic positions formerly held by the Japs and puppets to cripple the national industry will have passed into the hands of bureaucratic capital.

Unless Chinese private capital can influence government policies by taking part in a democratic government, these strategic economic positions will be used to further the growth of bureaucratic economic interests at the expense of a broad national industry.

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Hainan Islanders Celebrate God Of War's Birthday By Piercing Tongues With Spears

(The strange Hainan Island custom of celebrating the God of War's birthday by piercing the tongues of initiates with long iron spears, which is described in the following article, indicates the rather backward state of the Hainan Islanders, who, although nominally Chinese, are actually descendants of tribal peoples believedly related to some of the tribes in Indo-China and in China's Kweichow Province. Ed.)

KUAN Yu 關羽, also called Kuan Kung 關公, Kuan Ti 關帝, and Wu Ti 武帝, the Chinese God of War, whose birthday celebration by the people of Haikow, northernmost port of Hainan Island, is shown in the accompanying pictures, long has been one of the principal Chinese dieties.

Born in Chieh Hsien, Shansi, in 162, Kuan Yu rose to fame as an incorruptible general who refused to accept bribes. In his early years he formed a close friendship with two comrades, the sealing of which is referred to in Chinese literature as the "Oath in the Peach Orchard."

Like many Chinese dieties his greatest fame came long after his death, when successive Chinese emperors heaped honor after honor upon him. Among his more important titles are Faithful and Loyal Duke; Magnificent Prince and Pacificator; Warrior Prince and Civilizer; and Faithful and Loyal Great Ti, Supporter of Heaven and Protector of the Kingdom. With this last title he became the God of War and, as Kuan Ti, has since been worshipped throughout China. His fame greatly increased during the last half century of the Manchu Dynasty when, in 1856, he is reported to have appeared in the heavens and turned a Manchu rout into victory. For this service, the Emperor Hsien Feng raised him to equal rank with Confucius.

His earthly career, however, was not so successful, nor was he so greatly honored while he lived, although he gained some fame through his refusal of a bribe in the form of an offer of a marquisate from the famed T'sao Ts'ao. Despite this demonstration of character, his fate was the same as many other military leaders as he was put to death when captured in 220 by Sun Ch'uan. His family was later exterminated by the son of a general whom Kuan Yu had executed.

Kuan Yu began life in his native Shansi as a bean curd peddler. While still a boy he was forced to flee his native village after killing an old magistrate whose taking of a young concubine Kuan Yu opposed. It was a short time later, following his successful escape through Tung Kuan, the pass to Shensi near Loyang, that he formed his celebrated triumvirate with Chang Fei, a butcher, and Liu Pei, a straw sandal peddler.

Although Kuan Yu is considered primarily the God of War, he is also worshipped by the bean curd peddlers, executioners, who think that the spirits of executed criminals cannot follow them home if they worship at Kuan Yu's shrine after each execution, and the lierati who consider him the patron saint of literature.

The accompanying pictures were taken in Haikow on June 12, 1946, the 13th day of the 5th moon (Kuan Yu is also worshipped on the 15th day of the 2nd moon) by Mr. D. R. Straub, who had considerable difficulty in obtaining them.

At one point Mr. Straub had to beat a hasty retreat into the Presbyterian mission compound, the brick wall of which is in the background of the pictures.

The ceremony, somewhat more primitive on Hainan Island than elsewhere in China, began at the temple of the God of War. There, Mr. Straub related, priests harangued the crowd until all were fully in the spirit of the occasion. At this point the priests selected six young men and led them to the altar.

Lined up in front of the temple, the chosen six were given a pipe to smoke. The tobacco was apparently drugged, Mr. Straub thinks, because the initiates shortly afterwards appeared to be in a daze, staring at the bright sun with open eyes. The climax followed shortly when the priests brought out six iron spears, each about the size of a man's little finger in circumference and some 10 feet long!

A spear was then thrust through the outstretched tongue of each initiate. As soon as the spear was well fixed, each of the men was lifted onto a platform borne on the shoulders of coolies and carried through the town. The weight and length of the spears precluded the possibility of the initiate holding it unassisted in such a delicate position, so an additional helper walked along beside each man, balancing one end of the spear on a long pole.

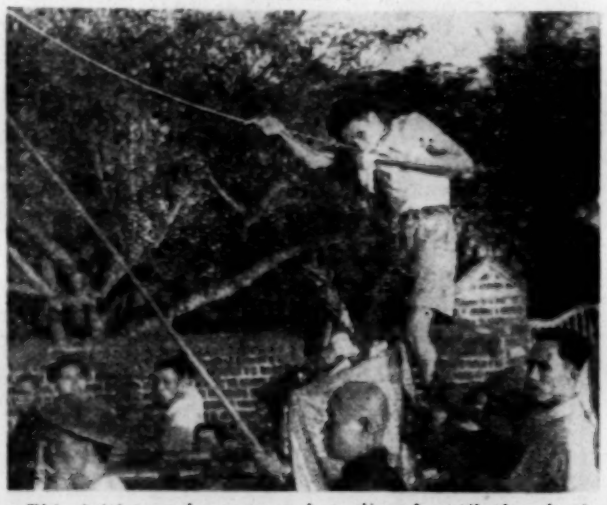
Following the procession, the six men were returned to the temple where the spears were removed.

Residents of Haikow, who were not too clear in their explanation of the full meaning of this ceremony, said that it is repeated at the same time each year.

FEELING NO PAIN

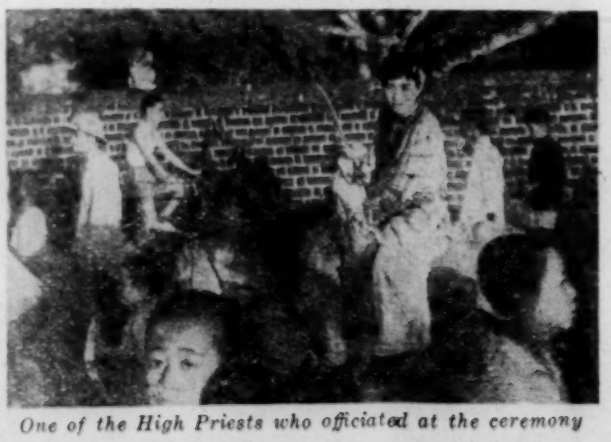
This man, according to Mr. Straub, appeared oblivious to both pain and surroundings, since he is staring directly into a late afternoon sun.

SLIPPING



This initiate, whose spear has slipped until the short end is just at his elbow, appears to be having some difficulty in maintaining his spear in position and still retain his balance. Man at lower right is steadying him by holding one leg.

HIGH PRIEST



One of the High Priests who officiated at the ceremony

GEORGE E. SOKOLSKY, columnist for the New York Sun, was awarded a silver medal of merit from the N.Y. State Department of the Catholic War Veterans, for opposing Communism. In accepting the medal, Sokolsky pledged to continue the fight.

Lanchow Co-ops Hard Hit By Price Drops Following Surrender: Only 8 Survive

By URII SDOBNIKOV

AFTER a period of some eight years of working experience and following the disastrous drop in prices shortly after V-J Day, only eight industrial cooperatives remain to form the Lanchow Federation of Chinese Industrial Cooperatives. Only the more stable co-ops survived the market fluctuations registered as the result of the Japanese surrender, and it required far-sightedness on the part of the co-op leaders and an open purse on the part of the International Committee in Aid of CIC, to tide over the unhealthy period.

As soon as prices began to fall on the consumers market, the industrial co-ops began to feel the difference between the decreasing value of finished products stored in their Supply and Marketing Department (the store) and their obligations to various creditors which remained unaltered. As prices continued to fall the majority of the cooperatives could not hope to cover impending loan payments even by selling their stocks and inventory, and this resulted in the bankruptcy of individual co-ops which failed to reopen after the crisis.

How Disaster Was Averted

A typical case of how the remaining co-ops managed to preserve their good name and credit is offered by the blanket-producing co-op. As soon as prices began to fall, the co-op stopped production and through an arrangement with the International Committee sold its stock to that organization. The funds thus received went to offset loans, wages and other vital requirements. In spite of this apparent liquidation, the co-op members held together and resumed production a month later, when the market improved somewhat. Only through the confidence displayed in the co-ops by the International Committee was the dissolution and disgrace of the whole organization averted.

In spite of the crisis which occurred towards the close of 1945, the blanket co-op showed a surplus profit of CNC$700,000. This was divided in the following manner:

Fifty percent went to dividend payments to the members of the co-op. There are only seven members in this co-op and each received an average of CNC$50,000 at the end of the year, over and above his monthly salary, which faithfully followed the increasing HCL.

Bonus To Hired Hands

Ten percent was distributed as bonus among the six hired workers, six preparatory members and four apprentices.

Twenty percent was laid aside as reserve for direct co-op needs.

Ten percent went to the CIC Federation reserve fund, and

Ten percent was spent on welfare and educational needs of the co-op members.

The small number of co-op members of this particular co-op is explained by the fact that this enterprise only commenced blanket production a year ago and was engaged in cotton piece goods manufacture before that. And until a prospective member is well enough versed in the manufacturing process he cannot hope to become a full-fledged member and enjoy the yearly dividends of the establishment.

The manager of the co-op explained that the low figure of dividends for the past year was due to the purchase of additional machinery valued at CNC$3,000,000 from the defunct Army blanket making co-op. The dividends cannot be expected to be higher this year since the co-op had just bought a diesel engine valued at another CNC$3,000,000 to drive its various looms and machines.

Medieval Processes Going

This particular blanket co-op is just emerging from the medieval type of manufacturing process prevalent in the major part of the country. Most of the machines are made of wood, since they would be too heavy to operate by hand if they contained metal parts. The milling of the ready blanket, just before dyeing to give it greater strength and eliminate weak spots, is still done by foot. A worker sits on a bench with his feet on the rolled up blanket and by steady pressure and constant rolling finally reduces the breadth of the blanket from the manufactured six feet to the required four. This process, the manager hoped, would be done by machine as soon as the diesel and the belt drive were installed.

The ready product, dyed in fast and more attractive colors, sells for around CNC$40,000 at the CIC store.

The average monthly wage of both workers and members of the blanket co-op comes to around CNC$45,000 a month. The working day is nine hours, with an hour's rest period for lunch. This is no different from the working conditions prevalent in private enterprises existing side by side with the co-op. The only advantage is that co-op members receive their dividends at year's end.

Wool Spinning

Another typical co-op is the wool spinning and cloth making co-op where the initial part of the spinning is done by refugees from Honan who came to this part of the country during the last two years. Natives of Lanchow, I was told, do not know the art of wool spinning and the co-op gives out its wool by the catty to refugee families residing around the establishment. A total of 30 families are engaged in this piecework with one family being able to spin half a catty of wool yarn a day. The co-op pays CNC$700 per spun catty.

The wool yarn is then augmented by cotton thread at a three to two ratio and about six catties of yarn are sufficient to produce 25 yards of hybrid cloth sold at the CIC store for CNC$50,000.

The wool spinning co-op has 14 members and wages are somewhat lower than in the blanket making co-op. The working day begins at six and lasts until seven in the evening with a three-hour break for

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lunch. Most of the worker-members live within the compound and are fed by the co-op.

Fur Co-op A Loser

Among the other co-ops are the leather, fur and tailoring and three other weaving and spinning co-ops.

After the accounts had been drawn up, following the economic crisis, it transpired that only the fur co-op had sustained a loss, one of CNC$1,032,467. The remaining seven showed profits ranging from CNC$100,000 for the tailoring to CNC$3,535,724, for one of the weaving and spinning co-ops.

This phenomenon is explained by the fact that when prices dropped on the consumers market, fur prices hardly changed at all, and it seemed as if the fur co-op would emerge best from the unhappy period. When prices began to rise, however, fur prices showed no increase at all and the favorable position of the fur co-op was reversed.

Lanchow Co-ops Superior

On the whole, the impression I got from the Lanchow co-ops was far superior to that presented by the Sian federation. It seemed that there was more of the co-operative spirit among members while the enterprises were more profitably run and more ably operated.

It appears, however, that the initial and primary purpose of organizing the industrial workshops which would work under the "gung ho" (work together) slogan, had been partially, if not to a great extent defeated by the co-ops themselves. The educational influence which these co-ops should have exercised on their members during some eight years of operation prior to today, failed to materialize when the economic crisis hit the federation. Only the more prosperous co-ops survived the storm; the poorer co-ops, i.e., those whose members had less material gain were dispersed and failed to function after the crisis. It would not be too strong to say that the hope of material profit had kept the functioning co-ops together during bad times, for their members were better off financially than were their co-workers in the poorer organizations.

Sandan More Suitable

The leaders of the industrial co-operative movement appear to realize this vital point. And the stress they now lay on the new generation of co-operative workers reared in the Lanchow and Sandan Bailie schools, supports this point of view.

Rewi Alley, the initiator of the CIC movement in China, told me that Sandan was the more suitable place to train boys in the new ideas of "gung ho" work. There are no co-operatives in Sandan, nor have any ever existed.

Sandan itself is a small northwestern town that lies on the vital route from China proper to Sinkiang and the territory beyond. Economically today it is insignificant and the motor road leading past Sandan skirts the wall-surrounded townlet without entering this oasis in the so-called "Northwest corridor."

The population of Sandan and the surrounding countryside totals 30,000, who have never heard of the co-operative. And for this reason, it is here that Rewi Alley thinks the new idea of industrial co-operation can best take root, for the people are not spoiled by viewing co-ops mainly as profit-making enterprises, as is the case in other parts of the country.

Potentialities Great

The economic potential of the Sandan area is considerable. Glass sand, coal, limestone, gypsum, kaolin and other minerals are plentiful in the surrounding countryside and these should prove vital if and when the industrialization of the region through co-operation gets under way.

Sandan can be safely considered virgin territory and Lanchow is not so fortunate in this respect, for there private enterprise has already tapped the existing potential and it is difficult to educate people in the new spirit of cooperation while competing economically with financially well established institutions.

POLITICAL ALMANAC FOR THE SECOND HALF OF 1946

Nominating Primary Date	State	Those whose terms expire
July 2	Mississippi	Sen Bilbo (Dem)—7 Reprs. (Dem)
July 2	Oklahoma	8 Reprs. (6 Dem; 2 Rep)—Gov. Kerr (Dem)
July 8	Minnesota	Sen. Shipstead (Rep) — 9 Reprs. (7 Rep; 2 Dem)—Gov. Thye (Rep)
July 9	Utah	Sen. Murdock (Dem)—2 Reprs. (Dem)
July 9	Washington	Sen. Mitchell (Dem)—6 Reprs. (4 D; 2 R)
July 16	Arizona	Sen. McFarland (Dem)—2 Reprs. (Dem) —Gov. Osborn (Dem)
July 16	Arkansas	7 Reprs. (Dem)—Gov. Laney (Dem)
July 16	Montana	Sen. Wheeler (Dem) — 2 Reprs. (1 Dem; 1 Rep.)
July 16	Wyoming	Sen. O'Mahoney (Dem)—1 Repr. (Rep) —Gov. Hunt (Dem)
July 23	South Carolina	6 Reprs. (Dem)—Gov. Williams (Dem)
July 27	Texas	Sen. Connally (Dem)—21 Reprs. (Dem) —Gov. Stevenson (Dem)
Aug. 1	Tennessee	Sen. McKellar (Dem)—10 Reprs. (8 Dem; 2 Rep)—Gov. McCord (Dem)
Aug. 3	Kentucky	Sen. Stanfill (Rep.) — 9 Reprs. (8 Dem; 1 Rep)
Aug. 6	Kansas	6 Reprs. (Rep)—Gov. Schoeppel (Rep)
Aug. 6	Missouri	Sen. Briggs (Dem) — 13 Reprs. (7 Dem; 6 Rep)
Aug. 6	New Hampshire	2 Reprs. (Rep)—Gov. Dale (Rep)
Aug. 6	Virginia	Sen. Byrd (Dem)—9 Reprs. (Dem)
Aug. 6	West Virginia	Sen. Kilgore (Dem) — 6 Reprs. (5 Dem; 1 Rep)
Aug. 13	Vermont	Sen. Austin (Rep)—1 Repr. (Rep) Gov. Proctor (Rep)
Aug. 13	Wisconsin	San. LaFollette, Jr (Rep)—10 Reprs. (8 Rep; 2 Dem)—Gov. Goodland (Rep)
Aug. 20	New York	Sen. Mead* (Dem)—45 Reprs. (22 Dem; 22 Rep; 1 Am. Labor)—Gov. Dewey (Rep) *
Sept. 3	Nevada	Sen. Carville (Dem)—1 Repr. (Dem)—Gov. Pittman (Dem)
Sept. 9	Maine	General Election
Sept. 10	Colorado	4 Reprs. (Rep)—Gov. Vivian (Rep)
Sept. 10	Louisiana	8 Reprs. (Dem)
Nov. 5	General Election in all States except Maine.	
State Nominating Conventions Not Set	Connecticut	Sen. Hart (Rep)—6 Reprs. (4 Dem; 2 Rep)—Gov. Baldwin (Rep)
	Delaware	Sen. Tunnell (Dem)—1 Repr. (Dem)—(Probably in July)
	Rhode Island	Sen. Gerry (Dem)—2 Reprs. (Dem)—Gov. McGrath (Dem)
	Georgia	10 Reprs. (Dem)—Gov. Arnall (Dem)

*Governors and Senators are nominated by Convention and Representatives by Primary in New York and Indiana. Idaho and Kentucky will elect Senators November 5 to serve out the terms, respectively, of Thomas, deceased, and Chandler, resigned, expiring in 1949.

NEWS OF THE WEEK

UNRRA Suspends China Supplies

AS a result of the collective, 300-strong UNRRA employee protest in mid-week that supplies sent to this country by the UN are being "used as a political weapon in China," Fiorello La-Guardia, Director-General of UNRRA, has ordered the temporary cessation of supply shipments to China. The employees charged the Chinese Government with persistent "misuse of UNRRA supplies for political and other purposes," and contended that this would justify UNRRA in directing these supplies elsewhere, to the needy who "would be assured of receiving these supplies."

The report charged that the purpose for which UNRRA supplies and services were contributed are being disregarded and this has resulted in the accumulation of valuable supplies, which are wasting, deteriorating and being pilfered "while the starving continue to starve and the needy remain without."

The 300 also charged that less than two percent of all supplies sent to China have been permitted to reach the Communist areas. Moreover, the failure of the Chinese Government to provide funds to CNRRA has crippled the operations and projects of many regions while despite "numerous protests from the China Office, UNRRA supplies have not been distributed in many areas for political reasons, thereby discriminating against those areas because of the political beliefs of the people in them."

The cable said that it "would be unfortunate though justified if, because of the continued failures of the Chinese Government, you were compelled to direct supplies to the needy elsewhere in the world."

The message further said that these observations were "documented in the files of the China Office, and the reports of the acting director and your chief executive officer will verify them."

The cable paid special tribute to J. Franklin Ray, Jr., Acting UNRRA Director, China Office, for his "inspired leadership in his efforts to correct the shortcomings."

Ray, it is said, is the second UNRRA head in China to come under disfavor of the Chinese Government for criticism of China's handling of UNRRA affairs. Ray, who allegedly has been labeled "persona non grata," intends to return to the United States. He said he had been ordered to remain as acting director until the arrival of a successor.

It is believed that Ray was declared "persona non grata" by the Chinese Government owing to his criticism and the demand for increased allotments to CNRRA.

Rice Sold Against Citizens' Cards

IN their efforts to tighten rice control, the City Government has decreed that henceforth purchasers of rice will be required to show their citizens' certificates in order to buy five *sen* of rice from any rice shop at the official price. At the same time the authorities are distributing to the various shops rice which has just arrived from abroad. The rice is supplied at CNC$46,000 per picul and will be sold to the public at CNC$50,700 per picul, thus giving the merchants a profit of 6 percent. Almost 200,000 bags of rice were imported recently.

Black market rice remained high, selling at CNC$78,000 per picul. The city authorities have notified the public that rice dealers refusing to sell rice at the official price will be punished.

Rice prices throughout the country differed widely, the highest prices per picul being reported from Tsingtao, where rice sold for CNC$105,600 and Kweilin, where the price was CNC$108,000 per picul.

Expectations of a good harvest in the Canton area were instrumental in lowering prices. In Szechuen rice dropped to CNC$10,000 per picul while in Hankow, because of flood, prices continued to mount and reached CNC$58,000. Amoy prices reached CNC$110,000 while East Chekiang prices fell to CNC$39,000 per picul due to good harvest reports. In Shiengshan, Sanmeng and Ninghai areas, the crops are reported to be abundant.

Prices were somewhat lower in Kunming where a picul sold for CNC$42,735, and Hsuchow, where a picul of the best grade cost CNC$50,000.

France Sends Out Peace Invitations

FOLLOWING decisions reached at the Paris confab, among which figured the Franco-Italian boundary adjustment, the Italian reparations problem, the Trieste status and finally discussions on the peace treaty invitations and procedure, France, the home, inviting power, cabled 21 nations invitations to the coming peace conference.

China at first was not included among the inviting powers, although only a few days previous to the aforementioned decisions she had formally handed a protest to the French Envoy in China for transmission to Paris. China insisted that the Moscow conference provided for the full Council of Ministers—five in number — to draw up the invitations for the 21-nation peace conference. China's inclusion came after Russia withdrew her earlier objections.

With the invitations, suggestions were sent by the Big Four asking that a steering committee representing the 21 delegations act on treaties, submitting them to the full conference on a basis of a two-thirds approval.

A second proposal was that the conference shall have the right to amend or suspend rules of procedure—which are to be drafted by deputies in Paris.

The United States, which is of the view that the conference should not turn into a "rubber stamp" of the Big Four decisions, reserved its right to vote in the full peace conference to amend or reject any decision taken.

North Kiangsu Dykes Repaired By Reds

ALMOST 100,000 acres of land in North Kiangsu have been saved from disastrous floods following the dredging of the Han River and the repair of dykes in the area near Funing, the New China News Agency reported this week.

The work along the river gave employment to 13,000 laborers, including 7000 famine victims. The project was financed partly by 200 tons of UNRRA flour given as wages, partly by the landowners along the river bed and the government, the Agency said.

Almost 1,000,000 acres of land in North Kiangsu were safeguarded against the threat of flood after the repair of the southern section of the Grand Canal running through Communist-held areas, it was claimed.

Rejuvenation Move Under Way In KMT

DEMANDS for the democratization of China's ruling party, the Kuomintang, have been raised by a substantial group of party members, who have organized a "rejuvenation movement" within the party.

More than 200 active members critical of the government's activities and program, met this week under the presidency of Liang Han-chao, vice-secretary of the Supreme National Defense Council, and formulated the following aims of the movement: (1) Practise greater democracy within the KMT (2) Eliminate capitalist bureaucracy. (3) Safeguard national sovereignty.

Liang told the meeting that the "Kuomintang Party must rejuvenate itself, otherwise it will become rotton and unsolid. We must consolidate the various parties and factions or political enemies will play off one against the other."

A "Walking Encouragement Corps," to persuade the people of Tientsin to strengthen their bodies through using their legs, has been organized. Corps members will be stationed on trams and busses in the city to "encourage" travelers to continue their journey on foot.

Double Seventh Passes Amid Hopes For Peace

THE Double Seventh anniversary of sorrowful memory marked in China with flags at half mast and continuing negotiations for a peaceful settlement in Nanking saw declarations of aims and hopes issued by both of China's warring parties.

In Nanking, Generalissimo Chiang Kai-shek, speaking at a memorial service for the soldiers and civilians who were killed during the war, declared: "We must do our utmost to realize the three principles of the people and build China into a strong, prosperous and happy modern state that can eternally exist independently and gloriously in the world."

20,000 Attend

In this first anniversary after the defeat of Japan the Generalissimo said that the aim which the people of China had in resisting the enemy —the reconstruction of the country —has not yet begun, although the war against the invader is over. To persevere in this task, the Generalissimo said, would be the only way to comfort the "soul of the Father of our Republic and of our fallen countrymen."

This speech was delivered before a crowd of 20,000 which was "massed in perfect order on the esplanade near the National Assembly." Later, the gathering sang the National anthem and bowed thrice before the altar lit by huge candles set up in the memory of the fallen. President Chiang then read the political testament of Dr. Sun Yat-sen and a three minutes silence was observed in memory of the victims of the war.

Reds' 4 Proposals

From the other side, the Communist Politbureau in Yenan, came a statement giving four Communist proposals for a settlement of China's present predicament. The proposal included the following points: the immediate issuance of an unconditional cease-fire order and cessation of all troop movements and erection of defense works; a resumption of the PCC to discuss the execution of previous PCC agreements (broadening of the government, reorganization of the various ministries,) and the abolition of bureaucratic capital; speedy demobilization of the armed forces under PCC supervision and the withdrawal of United States forces from China; a demand that the four great powers observe the decisions of the Moscow conference, and cessation of Lend-Lease until the democratization of the Government.

The statement ended with a comparison between Japan and America: "The only difference between Japanese and American imperialism is that American imperialism is stronger and its aggressive methods appear to be civilized and legal on the surface."

JABIN HSU, puppet banker and manager of the puppet Central Insurance Company, was arraigned before the High Court last week on charges of collaboration with the Japanese.

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What U.S. Papers Say . . .

THE Independence of the Philippines, the Bikini atoll bomb tests, U.S. Forces in China and the OPA were among the subjects commented upon by American papers during the week.

* * *

INDEPENDENCE

The Baltimore Sun, pointing out that there have been skeptics in the past who doubted that Philippine independence would ever be realized, said, "Seldom, if ever before, has a nation described as imperialistic voluntarily surrendered its possessions. The event in Manila represents a revolution in the past conceptions of imperialism. Its effect upon other nations and millions of subject peoples can hardly be measured."

The Washington Post commented on the timeliness of Congressional passage of a bill authorizing the naturalization of Filipinos and Eastern Hemisphere Indians, and which provided for their entry into the United States on a quota basis.

"It was especially important to the good auspices under which the Philippine Republic is to be launched that a sound immigration and naturalization policy toward our foster-child be established by law prior to the actual date of Philippine independence," the Post declared.

The New York Times saw a new precedent in international relations which "may have more far reaching consequences than we can now foresee." The Times concluded.

"This much we are sure we can promise the Filipinos in the name of the people of the United States. We shall watch your progress with understanding and sympathy and pride. You shall have here always a loyal friend, willing to lend a helping hand if one is needed, a friend who knows that by granting you your independence he has gained far more than he has lost."

* * *

U.S. IN CHINA

The Washington Star praised Acheson's statement of facts and declared:

"Our policy in China is anything but mysterious or sinister. Based on our traditional strong friendship with that sorely tried country, its purpose, in an immediate sense, is to help the Chinese people rid themselves of the effects of their long and devastating struggle against Japan. Beyond that, looking toward the long future, its primary objective is to unify them on a democratic basis and to do all that reasonably can be done to promote their economic betterment industrially and agriculturally."

The St. Louis Post-Dispatch took exception to Acheson's statement and explanation of U.S. aid to China and asked for the immediate removal of American troops from China. On the following day the paper dealt with Chiang Kai-shek's part in the current negotiations. The Post said: "Friends of China in the U.S. and elsewhere are looking to him and expecting a much more earnest effort then he has yet made to widen the government to include all parties, including the Chinese Communists, to adopt a republican constitution, and to bring representative government to China from Nanking to the smallest village."

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OPA

The New York Herald-Tribune pointed out that inflation brought about a consumers' strike after World War I, and declared that only sellers' restraint together with the workers' productivity would seem to form an indispensable combination against a repetition of the experience of 1921. The paper said that Truman's veto of the domestic Price Control Bill had widened "the cleavage between himself and Congress at a time when there is still much to be done before adjournment and when he is badly in need of congressional cooperation."

The New York Post wrote: "Harry Truman declared war on inflation and rejected those whose counsel was appeasement. We hail Truman for his courage. We hope that the people will prove equal to him."

* * *

BIKINI

The Baltimore Sun wrote: "Whatever it may prove, Operation Crossroads, measured by the preliminary planning, the vast space it covered and the equipment and personnel involved, is the greatest laboratory experiment of all time." The paper thought that this test and the following one will not be conclusive in evaluating the import of the atomic bomb.

The New York Herald-Tribune thought the burst too fearsome to be anything less than the highest civil courage and social wisdom that man can summon to his aid. "It must be bent to man's peaceful use, chained by universal resolve—or man will merely exist henceforth on the edge of annihilation."

The Birmingham, Ala., News, saying that the test should be valuable in scientific learning, declared that the world should learn more than this. "It should learn once and for all that the way to peace is not through ever more and more dangerous weapons, but in cooperative control of weapons."

The Christian Science Monitor, after noting that it is too early to draw detailed conclusions even from the first test and that few of the experts expected many warships to evaporate, wrote: "The greatest lesson from Bikini, therefore, may be its renewed and dramatic fastening of public attention on the necessity for controlling atomic energy."

United States Becomes Banking House

ASSUMING that the US$3,750,000,000 loan to the United Kingdom receives Congressional approval, the United States will have committed itself to US$10,000,000,000 in foreign loans by the end of 1946, and will thus be in the position of the world's banker.

Excluding the British loan, the remaining sum will be distributed as follows: US$3,500,000,000 in loans by the U.S. Export-Import Bank and US$2,750,000,000 in credits to foreign nations for the purchase of surplus American property. The former, among other loans, already has granted a US$650,000,000 to France.

Other loans either approved or contemplated include: US$500,000,000 to China; US$90,000,000 to Poland; US$150,000,000 to Italy, and a loan to Turkey.

Canned Goods Output Here Said Low

ONE of China's largest canned goods manufacturers—the Tai Kong Canned Goods Factory here—reported a turnover only 6.67 percent of its pre-war annual business during the first six months of the current year. Canned goods factories here, on the whole, are experiencing poor business owing to keen competition from American imports.

The company's volume was CNC$3,000,000 in 1936; CNC$8,470,000 in 1942; CNC$98,780,000 in 1945; and CNC$1,000,000,000 in the first half of 1946. Calculated on the basis of the general increase of commodity prices, estimated at 5000 times, the billion dollar business amounts to only 6.67 percent of the CNC$3,000,000 of 1936.

115 Foreign Firms Registered Here

ACCORDING to the provisions of the new Company Law in China, a foreign enterprise can be opened in this country without having its head offices in the home country, or engaging in business at home, the Wen Hui Pao wrote last week. This provision in the new law has enabled some 115 companies to set up in business in Shanghai.

Of these 115 companies, 40 were opened as branch offices with their head offices in foreign countries, while 75 were agents. All these firms are engaged in the import and export trades.

Szechuen Finances In Poor State

A serious financial relapse is reported from Szechuen province where it is said that 107 commercial firms and 137 private factories have closed down in the last two months, the Ta Kung Pao wrote.

These closures seriously affected the collection of revenue, which will be reduced to two-fifths of the former sum. The Chungking City Government business tax revenue amounted to CNC$400,000,000 from January to June of the current year.

Interest Rates Here To Be Lowered

TO improve the financial situation the authorities have decided to lower prevalent interest rates. One of the initial steps in that direction will be to prohibit commercial establishments, other than native and other banks, to accept deposits from individuals or firms, and to prevent banks lending money at high interest rates to individuals or firms.

This latter practice is held to be behind the recent general increase in interest rates.

160 Northwest Shansi Coal Pits Resume

COAL pits totaling 160 in the areas of Tatung, Huaijen, Tsoyun, Yoyu, Shohsien and Shanyin in Northwest Shansi, which were forced to close down during the Sino-Japanese hostilities, have now resumed operation, the New China News Agency reported.

The estimated output of the 50 larger pits is around 440,000 tons per month. The resumption of coal mining in this area is part of the government project to help reopen all privately-owned coal mines in all liberated areas forced to close down under Japanese rule.

Ex-Chamber Head Flays Bureaucratic Capitalists

SHANGHAI business is now dominated by the so-called bureaucratic capitalists, Wang Hsiao-lai, former chairman of the Shanghai Chamber of Commerce, on arrival in Nanking to attend the Economic Planning Committee of the Ministry of Economic Affairs, told press representatives this week. He drew the conclusion from the existing state of affairs that the rich will become richer, the poor poorer.

Wang expressed the hope that this situation will change for it "will do much harm to China" and also hoped that everyone will have food to eat.

Churchman Urges Plan For German POW'S

THE time has come when a "definite program of repatriation should be adopted and made known to the prisoners of war", declared Dr. Geoffrey Fisher, Archbishop of Canterbury, speaking before the Canterbury Diocesan Conference.

He estimated the number of war prisoners in Britain to total more than 500,000 and said that there could be no justification for holding German war prisoners as slave laborers indefinitely in England without an indication of when they might return home.

EMPEROR HIROHITO was in attendance at the December 1931 meeting of the Japanese Privy Council which decided that Japan's army would occupy the four North China provinces. This was learned at the current trial of Japanese war criminals before the International Military Tribunal.

What Chinese Papers Say . . .

THE Soviet objection to, and the subsequent exclusion of China as one of the powers issuing the invitations to the peace conference scheduled to open July 29; the people's congress called for November 11; and Dr. T. V. Soong's press talks here were discussed at length in the Shanghai newspapers' editorials this week.

* * *

PEACE CONFERENCE

The Russian demand that China should be excluded from the inviting nations for the 21-nation peace conference was the subject of strong editorial protests this week. The Shun Pao declares that this is a serious problem concerning China's prestige. It says also that from this point we can see how much the nations of the world can adhere to the Moscow and Potsdam agreements.

"During the war China did as much to crush the Japanese as the Soviets the Nazis. Then how is it that China be excluded? In other words, because China is weak. Doubtless the United States wants China to become a strong and unified nation, while the Soviets and the Chinese Communists want the opposite. We strongly urge that our Foreign Ministry fight with every means we have to overcome this undue humilitation. It is time for the Chinese people to know a friend from a foe now."

The Chen Yien Pao emphasized that "China should fight for our position in the family of nations."

The Yih Shih Pao demanded to know why China is not qualified to be an inviting nation. "If China is not qualified, who is?" The paper further pointed out: (1) Disregarding the sacrifices she had to make, China gladly entered into the Sino-Soviet Friendship Pact. This put both China and Russia on the same equal footing as any other treaty signatories; (2) The tension that exists today in the world is really man-made. Though the capitalist countries are to blame, the totalitarian group of nations is the greatest cause of it; (3) On the one hand, we appeal to the United States to destroy its atom bomb secrets; on the other, we demand that the Soviets change their attitude.

The Lih Pao considered this attitude of Russia's an insult to China as well as an unwarranted disregard of the Moscow Agreement and other treaties. "We demand an explanation from M. Molotov."

The Sin Yieh Pao, the Sin Wan Pao and the Wen Hui Pao all joined in protesting strongly the Soviet attitude. The Sin Yieh Pao said: "We protest that M. Molotov takes such an attitude towards us. Our reasons are (1) China and Soviet Russia have the longest common boundaries; (2) China and Russia both are members of the so-called four power or five powers; (3) The two countries have had close ties, and (4) For reasons of security of the Far East.

* * *

SOONG INTERVIEWED

The interview given by Dr. T. V. Soong here on July 8 was commented upon widely by the Chinese press. The Sin Wan Pao declared that as a result of the conference, the entire nation knows better what the government is trying to do.

"The public officials of today not only have to have the confidence of the Party, they also must have the confidence of the people, too. To win the confidence of the people the least the government can do is to guarantee that they have the minimum means of livelihood. Why do the people oppose the government or government officials' participation in industry and business? Because they see that it is unreasonable and unfair. We hope that the government will thoroughly and voluntarily investigate the matter without further delay."

* * *

PEOPLE'S CONGRESS

The focal points of China's political situation are nationalization of the armed forces and participation in government affairs by all parties. As for the former, much remains to be done before it can be realized, as for the latter, the government has decided to convoke the People's Congress on November 12 this year, declared the Shun Pao. It is to be hoped that the government this time will be firm and careful, so that the congress will not be postponed again. There were already many indications that the Communists were and are not in earnest in their efforts to reach a settlement. "We hope the Communists can appoint their delegates to the Congress as soon as possible," the paper added.

The proposed convocation of the People's Congress on November 12 is definitely an improvement in the political outlook, according to the Sin Wan Pao. For more than half a year and because the major parties have not been able to work out an agreement on political questions, China was plagued with civil strife, economic and nnancial troubles, and a general state of insecurity. By calling the assembly at least the political deadlock could be broken. In the future no efforts should be spared to reach a settlement in the political field.

Opposing the convocation of the Congress, the Wen Hui Pao declared: "We do not see how many delegates appointed 10 years ago can represent the people of their constituencies today. Before the convocation of the Congress the Political Consultative Council must be reopened to discuss impending questions.

EVENTS IN BRIEF

United States Intelligence officers nipped in the bud an attempt by former SS men to murder Allied judges and prosecutors at the international war crimes trial at Nuremberg. The SS men had faked identity papers and had planned the attack as far back as February.

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Export of bulk penicillin in limited quantities is now possible, the Civilian Production Administration announced in Washington last week. The CPA said that production of bulk penicillin for processing into non-injectable dosage forms now exceeds domestic requirements.

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Plans for a US$60,000,000 Telecity—a television motion picture center — have been completed in New York. The project will occupy a 1000-acre site in the New York area and will offer services for making motion pictures for use in television to radio and television stations, advertisers and their agents and independent film producers.

* * *

General relief to the sum of CNC$200,000 in Northeast circulation notes was issued to Soviet residents in Changchun by the city's mayor. The Mayor also gave relief funds of CNC$10,000 and CNC$20,000 to families of each of eight Soviets killed following the withdrawal of Communist troops from the city.

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The Ministry of National Defense announced last week that the pay of officers and men in the Chinese army was doubled as of July 1, 1946.

* * *

The Mukden City authorities have offered five catties of wheat flour to any person catching one catty of flies, the Wen Hui Pao reported last week. This is said to have been caused by the scarcity of foodstuffs and the abundance of flies in Mukden.

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Chinese Trade Union delegates Chu Hsueh-fan and Liu Ning-i have returned to Moscow from a tour of the Leningrad area. The delegates visited Leningrad plants, including the well-known Kirov plant. Chu is expected to leave for Shanghai via Vladivostok soon.

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Superfortresses flying from England dropped armor piercing bombs on the roof of the world's largest submarine assembly plant at Bremen, but the reinforced concrete structure remained standing. British and American planes will drop an even heavier load of bombs in a test in the near future.

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American officials reported in Washington that the United States is to set up a Korean Government in the southern zone by itself inasmuch as Russia has ignored American appeals for cooperation. The laws will become effective in the American zone when approved by the United States military government.

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An article in Pravda this week accused the United States of assisting the Chinese National Government in violating the civil war truce and preparing for a new anti-Communist campaign that would unleash civil war on a great scale. "The Chinese civil war will stop of its own accord if America ceases to arm and supply those who wage such a war," the article declared.

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The expected arrival of the first families of the United States personnel in Tsingtao is viewed by commentators to mean that there is no danger of a Communist attack on that port.

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The long-term British proposals for Indian independence were accepted by the All-India Congress Committee, a delegated assembly of the Congress Party, after a 10 and a half hour debate during which Mahatma Ghandi supported the acceptance of these proposals. "The British assure us of their sincerity. I see no reason to doubt that sincerity," Ghandi declared.

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All Government offices are reported to be slashing their staffs by 50 percent with additional reductions due later, the Associated Press reported this week. Those discharged would be retired, transferred to other positions, or returned to their studies in universities. A committee of 15 was created to direct payroll reductions.

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The four Nanking newspaper reporters injured in the notorious Hsiakwan Incident, when a mob of so-called North Kiangsu Refugees attacked the Shanghai peace delegation recently at the railway station, received cash compensation from CNC$350,000 to CNC$100,000 to cover medical expenses and loss of personal effects.

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Top-ranking Catholic Church dignitaries in Poland refused the request of Premier Edouard Osubka Morawski that they condemn those responsible for the recent anti-Jewish pogrom at Kielce, where 41 persons were killed. The premier said both the Bishop of Kielce and Cardinal Sashieha refused the request.

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The so-called Bell Draft Law, which grants the United States concessions in the Philippines for a period of 28 years, was adopted by the Philippine Congress on July 3. Philippine workers organizations, professional unions, youth and veterans bodies, sent a protest to the National Lawyers' Union, objecting to the Bell Law as violating the sovereignty of the Philippine Republic.

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Estimates by UNRRA of the expected 1946 crops in China reveal that this country will produce 39,500,000 metric tons of rice in the current year, as compared with 45,300,000 tons pre-war.

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A four-year congressional struggle came to an end when President Harry S. truman placed his signature on the Hobbes Labor Anti-Racketeering Bill. After attorney-General Tom Clark told the President that the bill would not interfere with "labor's legitimate objectives," he signed the bill despite strong objections from organized labor.

* * *

Sugar merchants last week charged that the Taiwan Sugar Industries Corporation, a Government combine, has manipulated prices and caused price increases to the extent of 80 percent during the course of the past two weeks. The merchants declared that the government-sponsored monopoly has cut deeply into the realm of private business and thus created confusion on the market.

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In spite of the fact that the general strike in Zone "A" of Guilia Kraina has been declared illegal by the military authorities the deadlock continued this week. "Workers have decided against renouncing their demands and to carry on the struggle to the end," a Tass report from Belgrade declared.

Reconstruction Pushed In Jehol Province

THE New China News Agency, discussing reconstruction now under way in Jehol Province, this week said that this rehabilitation is proceeding, for the first time in Chinese history, under a popularly elected provincial government and the People's Congress.

With the exception of a few counties in East Jehol, especially along the Chingchow-Pingchuan Railway occupied by Kuomintang troops last year, the provincial government has under its jurisdiction 24 counties, 11 Mongolian banners, two municipalities and five counties formerly belonging to West Liaoning, the agency reports.

The People's Congress of Jehol Province, which met last November, elected General Li Yun-chang, former officer of the Northeast army under the Young Marshal, and who led the 8th Route Army against the Japanese in the Hopei-Jehol-Liaoning Border Region, as the provincial governor, together with two non-party deputy governors. The 15 members of the provincial government council included only six Communists, one of whom resigned to adhere to the so-called one-third policy of the Communist Party, the Agency says.

Jehol, always noted for its minerals, food products, furs, hides and cattle, declined under Japanese rule. The new government claims to have followed the policy of free trade to encourage industry and commerce. The trade routes to Kalgan and East Hopei were opened. Prices fell from 400 to 600 percent, while the purchasing power of the Shansi-Chahar-Hopei banknotes was raised by 500 percent.

The revival of agriculture was speeded by a grant of $400,000,000 in cattle loans, $200,000,000 in agricultural loans and a $100,000 relief fund for poverty-stricken peasants.

The over-all program provides for the encouragement of private enterprise and the protection of private property.

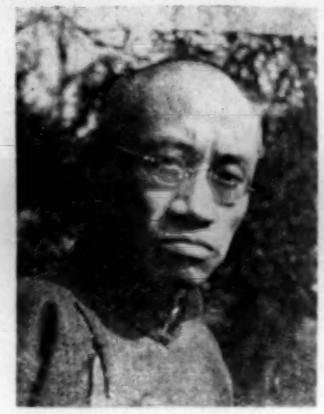
Bandit groups formerly terrorizing the countryside have been mopped up and the 135-mile stretch of railway within the jurisdiction of the democratic government has been repaired. Highways connecting Chengteh, the provincial capital, and Chihfeng with Kalgan and Tolun in Chahar, have been restored.

Jehol already has eight middle schools, including the Mohammedan Middle School and the Mongolian Institute. The broadcasting station in Chengteh, formerly used by the Japanese, is now daily broadcasting news of provincial developments in the current rehabilitation program.

The "Voice of Fighting Zion" secret radio broadcast an appeal this week for volunteers, arms, munitions and ships to fight the British. The radio said: "The Jewish people are now struggling against powerful oppressors," and asked for help for "our brethren in their repatriation voyage."

Who's Who in China

LIANG SHU-MING, Democratic League leader and social reformer; native of Kweilin, Kwangsi; born at Peiping, 1893; did intensive research work in Buddhism and philosophy; after taking part in the



Liang Shu-ming

（梁漱溟）

revolution of 1911, served as a correspondent of the *Tientsin Republic;* secretary to Minister of Judicature of the Peking Government, 1916; professor of Indian and Confucian philosophy, Peking University, 1917-24; founded Tsaochow High School in Shantung, 1924; declined appointment as a member of Kwangtung Provincial Government, but accepted appointment as member and concurrently chairman of the Reconstruction Committee of the Canton Branch of the Central Political Council; principal of the Kwangtung Provincial 1st Middle School at Canton, 1929; founded the Institute of Local Self-Government in Honan and taught at the Institute, 1929-30; chief editor of the *Local Self-Government Monthly* in Peiping, 1929-32; after the Honan Institute was closed, he founded the Shantung Institute of Rural Reconstruction at Tsouping, of which he was head of the Research Department for Rural Reconstruction, 1931, and president, since 1933; twice as chairman of Reconstruction Committee of Kwangtung and Kwangsi Branch Political Council, 1933-37; at the beginning of the Sino-Japanese hostilities, he was the editor in chief of *Hongkong Kwang Min Pao,* an organ of the Democratic League; member of the Standing Council of All China Club of Rural Reconstruction; standing member of Central Executive Committee and concurrently chairman of Committee of Domestic Relations; member, Chinese Democratic League; at present holds the posts as: Superintendent of Mien-Jen Academy; councillor of People's Political Council; author of "An Introduction to Indian Philosophy," 1919; "Civilization and Philosophy of the Orient and the Occident," 1922; "Last Chance for the Self-Salvation Movement of the Chinese People," 1933; "Theory of China's Rural Reconstruction;" "Explanations to Comment on Tsouping Experimental Work of Rural Reconstruction; Liang's Essays on Education; address: People's Political Council, Nanking.

PEOPLE IN THE NEWS

DR. HU SHIH, well-known Chinese philosopher and former Chinese ambassador to the United States, arrived in Shanghai from the United States aboard the President Taft late last week. Dr. Hu who was recently named president of the National Peking University, will soon leave for the North to assume his new duties.

* * *

TRYGVE LIE, United Nations Secretary-General, left New York by plane for a four-week European tour to inspect United Nations facilities in London, Geneva and The Hague. Lie also said that UN information centers will be established in Nanking, London, Paris, Cairo and Copenhagen.

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DR. SHU FAN-LI, governor of the College for China, Hongkong, speaking at an international meeting of physicians at San Francisco, said that there is only one doctor for every 150,000 Chinese.

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AHMAD SEPEHR, Iranian Minister of Industry, was arrested last week on charges of acting to the detriment of the interests of the Government.

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ADOLF HITLER was declared responsible for all the misdeeds of the Nazis when the 21 Nazi leaders now on trial in Nuremberg opened their final pleas for acquittal last week before the International Military Tribunal.

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JAMES V. FORRESTAL, U.S. Secretary of the Navy, arrived in Shanghai early this week from Tokyo, and left for Peiping. Forrestal is on a world tour following his presence at the atomic bomb tests at Bikini atoll last week.

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H. G. WELLS, of "The Shape of Things to Come," writing in the magazine Socialist Leader, asked whether the Royal Family were involved in the huge sums which Benito Mussolini's government paid before the war to Sir Oswald Mosley, British Fascist leader. Wells declared that if there was any connection between the two then "there is every reason why the House of Hanover should follow the House of Savoy into the shadows of exile...."

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GEN. TU YU-MING, Nationalist Commander-in-Chief in Manchuria, last week received permission to meet Communist General Lin Piao for a conference in Changchun.

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MOTHER FRANCES XAVIER CABRINI has been canonized in Rome as the first American Catholic Saint. Mother Cabrini went to the United States in 1889 and became an American citizen. She was known for her work in establishing schools, orphanages and hospitals chiefly among Italian emigres to the United States.

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CLARENCE E. HALL, managing director of CNRRA Highway Transport, resigned as a CNRRA and UNRRA employee early this week. Hall will be succeeded by Donald McNeill of the China Office of UNRRA.

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M. HENRI MAUX, head of the French Economic Mission to the Far East, arrived in Nanking early this week. Maux will confer with various members of the government and with French Ambassador Jacques Meyrier.

ABDEL RAHMAN AZZAM PASHA, Secretary-General of the Arab League, said last week that the "Arabs and Jews are not really opposed to each other. There is no reason why with patience, negotiation, time, and pacification of spirits, we cannot find a way out of this thorny problem."

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HUBERT S. LIANG, one of the initiators of the Chinese Industrial Cooperative movement in China in 1938, who recently returned from the United States, declared: "A strong, united and prosperous China is an excellent and most effective guarantee against a World War III."

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RICHARD C. DARNELL, American instrument and laboratory equipment specialist, has arrived in Shanghai by plane from the United States, under the State Department's cultural exchange program. He has come to China at the request of the Chinese Government and will stay for four or six months to advise on selection and procurement of scientific apparatus.

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ROBERT H. BARNUM has been elected President of William Hunt and Company, Federal Inc. U.S.A., China distributors for 84 American firms, following the resignation of Vice-Admiral C. S. Freeman, who has left Shanghai on a mission connected with other Hunt interests.

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JABIN HSU, puppet banker and manager of the puppet Central Insurance Company, was arraigned before the High Court last week on charges of collaboration with the Japanese.

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DR. T. V. SOONG, President of the Executive Yuan, at a press conference for foreign newsmen declared: "The so-called anti-American sentiment is deliberately and artificially created by a handful of propagandists, who want the U.S. to leave Asia for their own political gains. This act does not represent the true sentiment of the Chinese. And I condemn it."

* * *

W. STUART SYMINGTON, U.S. Assistant Secretary of War for Air, accompanied by a number of Senators and U.S. officials arrived in Shanghai from Tokyo early this week.

* * *

IWAN MATSUI, who is notorious for his part in the "Rape of Nanking," at the war crimes trial in Tokyo, denied that there was any large-scale or organized massacre, looting and raping in the Chinese capital, the Central News reported.

* * *

J. LEIGHTON STUART, former head of Yenching University and well-known educator in China, was appointed new U.S. Ambassador to China by President Harry S. Truman. The president declared that General George Marshall's status as special Presidential Envoy is not affected by this appointment.

* * *

DR. CHENG TIEN-HSI, Chinese judge of the International Court at The Hague, who was reported to have been appointed new Ambassador to Great Britain, categorically denied this report, Central News announced.

Interest Up, Checks Bounce As Cash Continues Tight

THE Shanghai financial market has not yet recovered from the bond market crash which toppled Consolidated Bonds from their peak of CNC$8000 to $200 or $300. One estimate of the banks' losses is $150,000,000,000. One, the Ta Ya Bank, went to the wall as the result of $130,000,000 losses, while another, the Teng Yu Native Bank, was compelled to sell out to the Yangtze Development Company.

Black market rates during the week rose to as high as 20 percent per month, while because of the shortage of liquid funds the week under review saw a stream of checks returned uncashed. Such dishonored checks ran into tens of billions of dollars, it was said. Many large banks were reluctant to lend money, even at the high rates prevailing, because there was no way to check the financial position of the would-be borrower.

Business Weak

Well-informed circles gauged business conditions in general to be weak because of the unwillingness of many to continue operations. Shanghai had enjoyed an abnormal prosperity during the war years because of speculation and inflation as well as lavish spending by many speculators who had got rich quick. However, as the first half-year of 1946 has convinced many that speculation cannot continue to be profitable, a large number of firms engaged more or less in speculation has taken the opportunity of the semi-annual settlement to close down.

It was because of this general situation and such reports as 1) the greatly increased cost of commodities in America with abolition of OPA as of July 1; 2) increased value of the Canadian dollar, now at par with the US dollar; 3) decreased actual demand by importers for US notes; and 4) the possibility of government action to completely ban the circulation in China of American paper currency, have combined to lower gold bar quotations.

US dollars which a fortnight ago fetched as much as CNC$2800 dropped from $2500 to just under $2300 on Monday, July 9, recovering to $2400 the next day. It was even rumored that the black market rate might drop as low as $2000, the official rate, at which the government banks would buy. Other rumors were that the government is planning to buy all the American currency in the market at the official rate of exchange as one of a reported number of measures to bolster Chinese currency.

Gold Bars Decline

Due to the drop in US dollar rates, gold bar prices also declined. On July 9 the rate was $1,890,000 while the cross rate was more than US$800 per 10-ounce bar as against US$750 the week previous. Gold bar quotations, it may be recalled, five times during the previous week had risen to the $2,000,000 mark, but dropped back each time. Although the undertone seems firm, a tendency to sell gold for cash to be lent out at high rates was reported. Under these conditions, it is believed, the Central Bank will be able to maintain quotations under the two million mark, particularly, as it has demonstrated, it stands ready to supply unlimited numbers of bars to speculators when prices soar.

During the week ended July 6 the Central Bank sold only 532 bars as against the previous week's 1472, reflecting the marked decreased demand. Central Bank's sales for the week under review were:

July 3	225 bars	@ $1,970,000
4	188 bars	@ $1,925,000
5	90 bars	@ $1,932,500
6	29 bars	@ $1,922,500

Bonds, Shares Quiet

In the bond and stock markets little business was done. Although it was announced the Shanghai Stock Market would reopen early in August, investors and speculators showed little interest in the market and quotations continued to drop because of the tigghtness in money. Bonds fell to $460 on July 6 while Wing On Textiles receded to $410 and Ewo Cottons to $7300. Some short operators reportedly were active.

The rice situation here remained serious with quotations in the city's suburbs up to $80,000 and more. Although the City Government continued to supply rice shops with 5000 to 8000 piculs per day, the average citizen found it extraordinarily difficult to make purchases as many people are crowding the shops to buy at the official price and reselling at a profit. To counteract this practice, the authorities have ordered rice shops to sell only against production of citizen's certificates and to limit sales to five sen (half a tou).

$9200 In Szechuen!

The authorities also have announced that the official price of $46,000 per picul is to be abolished as it plans to force down prices by importing large quantities from abroad and from Szechuen province, where the price of rice has dropped as low as $9200 per picul. On July 9 it was announced by the Bureau of Social Affairs that 300,000 piculs of rice are on the way here from foreign countries.

Cotton yarn prices, which had risen to $1,600,000 for 20's Twin Horse brand due to heavy southern demand, declined also during the week under review, falling to $1,400,000. July 8 saw the price at $1,370,000. The China Textile Development Co., the government monopoly operating former enemy-owned mills, has increased its production in both yarn and cloth and it was announced that the company also has joined the Chinese Cotton Mill Owners' Association in an effort to bring about closer co-operation with the private mill owners. Dr. T. V. Soong, President of the Executive Yuan, in an interview Monday, told the press that this co-operation would help develop foreign markets for China's yarn and cloth in the near future.

Sugar, which had been boosted 100 percent by the Taiwan Sugar Corporation, a government monopoly, due to the lack of supplies, also started to decline during the week. The Taiwan corporation was the target of scathing attacks by sugar merchants, who charged that it was pushing the market higher by quoting increasingly higher prices on the Taiwan sugar which it monopolizes. Cigarette prices rose during the week due to a 20 percent increase in the tobacco tax.

The following list gives commodity prices for the week ending July 6:

	June 29	July 6
Gold bars	$1,975,000	$1,940,000
US $ Notes	2,650	2,500
Bond C	480	470
Wing On Textile	508	408
Ewo Cotton	9,500	7,300
Rice	46,000	46,000
Wheat flour	——	13,700
Peanut oil	68,000	60,500
20's Twin Horse Yarn	1,560,000	1,400,000
Raw Silk	2,650,000	2,600,000
Artificial silk	1,820,000	1,580,000
Ruby Queen cigarettes	12,500	12,000
Koo Ban soap	43,300	44,000
My Dear matches	660,000	680,000

Soong Optimistic

From the above figures it can be seen that quotations on the whole were declining during the week ending July 6. The same trend held true in the early part of this week. This situation might be explained as being due primarily to the tight money situation, but it must not be ignored that during his interview with the press, Dr. T. V. Soong declared that China's financial situation was not as bad as many people believed. With no civil war, China's budget could be balanced and the authorities would not have to resort to the issuance of bank notes to meet expenses.

China's economic problems definitely remain unsolved, but government influence in the market has become so strong lately that speculation has become unprofitable. As in the case of Government Bonds, the Government may announce one day that it has decided to buy in all American bank notes from the market at the official exchange rate. That would wipe out all the profits of the speculators. As a matter of fact, Dr. Soong in his interview on July 8 warned speculators by saying that the Chinese Government was negotiating with the American authorities for the withdrawal of all American bank notes from the Chinese market.

700 Objectionable Germans Go Home

MORE than 700 so-called objectionable Germans were deported from Shanghai last week when the Marine Robin steamed from the Jukong Wharf for Europe. Among the 700 are residents of Shanghai, Canton, Hankow, Nanking and Tsinan.

Twelve Germans who were to have reported at Kiangwan failed to turn up on the appointed date and of these two are said to be "unobjectionable." One has been dead for some time, while the other, a woman, obtained Chinese citizenship some time ago by marrying a Chinese.

Min Sen Co. Wants Loan From Canada

THE Min Sen Industrial Company is negotiating a loan of Canadian $15,000,000 for the purchase of 18 ships, Lu Tso-fu, general manager of the company, declared upon his return from Nanking, where he conferred with Generalissimo Chiang and Hsu Ta-wei, Minister of Communications.

Lu stressed that the company has incurred heavy losses in recent months owing to its ships being used to transport troops and Government officials and asked a loan of CNC$800,000,000 from the Government.

No definite agreement on the loan has been reached.

Cheap Gas To Be Locally Refined

THE China Petroleum Company expects to receive in the near future oil refining apparatus ordered in the United States. Part will be sent to Kansu province to augment the equipment there, while part will be used to set up a large oil refinery in Shanghai, according to the Sin Wan Pao.

Large quantities of oil have been ordered by the company from the South Sea Islands, and it is expected that oil refined here will be cheaper than imported gas.

At the same time, an extensive pipe system will be built to link the oilfields in Yumeng with Lanchow, Kansu, and other cities in the interior.

The Sin Wan Pao reported that the Liquid Fuel Control Commission is to be amalgamated soon with the China Petroleum Co.

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BUSINESS FOOT-NOTES

The first all-China made car will be off the line in Peiping on August 1. The automobile plant is run by the Public Highway Bureau of the Ministry of Communications which has set a goal of five cars daily.

* * *

The China Merchants' Steam Navigation Company has put five out of 25 American LST's recently taken over on the Shanghai-Tsingtao run. Others have been assigned to transport rice from Szechuen to Shanghai and Nanking.

* * *

Bank profits for the first six months of the current year ranged from CNC$50,000,000 for the smaller banking houses to CNC$500,000,000 for the large banks. As a lot of this money accrued in speculation the above figures are no reflection of the true state of financial business here, the Shun Pao wrote.

* * *

Rush repair work of the Central Mint in this city has caused rumors that the authorities will make use of the 8000 recently arrived cases of silver from Tientsin for minting subsidiary coinage in this city.

* * *

The first nation-wide strike in American commercial airline history hit the United States when Northwest Airline's 27 huge passenger planes which serve as many cities between Seattle and New York remained grounded on July 4. The strike was due to a demand for an 18½ cent per hour increase by the maintenance and service men of the International Association of Machinists.

* * *

The Ministry of Finance has approved the organization of a Joint Reserve Treasury by the banks with a capital of CNC$2,000,000,000. Reports that this Treasury will take over the functions of the Clearing House were emphatically denied by well-informed financial circles.

* * *

A Joint Sales Office has been organized under the auspices of the Bureau of Supplies of the Executive Yuan for the sale of 1000 vehicles which the Bureau recently imported. Another 1000 trucks were sold by the Bureau to Chinese military organizations.

* * *

The Canadian dollar has been placed on a par with the U.S. dollar in order to meet the situation resulting from the abolition of price control and the developing inflationary trend in the U.S. The 10 percent exchange rate difference has been eliminated. The Canadian dollar will also be revalued in relation to the pound sterling.

* * *

China's unfavorable trade balance from January to May came to CNC$1,500,000,000, excluding all relief shipments, the Central Daily News reported. The paper declared that Japan would soon recapture the bulk of the Far Eastern markets.

* * *

Large numbers of so-called bureaucratic capitalists have gone to the Northeast following the Nationalist troops and government officials, the Wen Hui Pao reported. Some 500,000 spindles in the Northeast will be taken over by the China Textile Development Company.

* * *

Large quantities of foreign goods arrived in this city last week. Cotton, cement, steel plates, lubricating oil, cars and trucks, bristles, wood oil and various other goods were among the shipments, the Chen Yien Pao says.

The Soviet authorities have informed the Chinese Government that $700,000,000 worth of military notes at the Northeast currency value were issued by the Red Army during the Soviet occupation of Manchuria.

* * *

More than 300 godowns have been returned to their lawful owners by the authorities following the sale and removal of goods stored in these godowns after the war. Some 160 godowns originally owned by the Japanese were taken over by the Customs and will be under their control.

* * *

Cotton stocks in China by the end of July are expected to reach 800,000 bales, including raw cotton brought in by UNRRA. This represents an increase of 500,000 bales over the average pre-war stock of cotton.

* * *

Tobacco factories are complaining against the 100 percent tax imposed on their products, which has placed them in a most unfavorable financial position, they claim. While the market price of a brand is, say, CNC$600,000, the manufacturer's cost now is CNC$610,000. The tobacco tax is due to be further increased as of August 1, the Ta Wan Pao reports.

* * *

The Shanghai Customs collected revenues of more than CNC$20,000,000,000 during June, of which CNC$19,000,000,000 was import duty, representing 95 percent of the total. April customs revenue was CNC$10,000,000,000, with imports valued at CNC$80,000,000,000.

* * *

The cancellation of American and British wartime blacklists of foreign firms suspected of enemy connections was announced early this week. The total number of firms affected was 5835, of which 3500 are located in Europe and the remainder in Latin America.

* * *

Timber, newsprint, medicines, chemicals and marine products will be shipped to North China by the Soviet trade office in the near future. North China is expected to send raw silk, peanuts, sesame and pepper in return. The trade will be conducted in U.S. dollars.

* * *

Approximately 3,000,000 American war veterans are expected to be jobless a year from now, the number of veterans out of work already being 1,000,000, the Committee of War Veterans declared in Washington. The U.S. Labor Office announced, however, that veterans were either provided with jobs or given an opportunity to continue their studies.

* * *

U. S. wire and cable manufacturers and producers of electric motors and transformers are operating at only 25 to 75 percent of capacity owing to the acute shortage of copper. The government held only 1000 tons of wire bars at the end of May, against a monthly consumption by the American industry of about 60,000 tons. About 10,000 tons were distributed in June.

* * *

The Municipal Bureau of Social Affairs has extended the deadline for the registration of companies in former occupied areas to the end of the current year. June 30, the original deadline, saw only 600 companies registered with the Bureau. The new deadline will not be postponed and any company which fails to register by December 31 will be liquidated by compulsion.

NEW BOOKS OF INTEREST

Inside Story

THE CIANO DIARIES 1936-43, edited by Hugh Gibson, introduction by Sumner Welles. Doubleday & Company, New York, 1946. U.S.$4.00, 548 *pps. Reviewed by J. R. Kaim.*

I have been told that the best part of the Ciano Diaries was the introduction by Sumner Welles. But I wouldn't say so. Mr. Welles' introduction gives you the right background, explains who is who and what is what and is very valuable from both the political and the historical points of view. But the real crime story still remains to be read, and that story is just what Ciano, Mussolini's son-in-law gives in his diaries.

Every one remembers young Count Galeazzo Ciano, son of a fascist, husband of Edda Mussolini, the Duce's always plotting pet daughter, a youngster whose brilliant career seemed amazing indeed. Less than 29 years old he is made Consul General in Tientsin and a few months later minister to China; in Shanghai he serves but one year, returns to Rome as Mussolini's press chief and in 1936, at the age of thirty-three he is appointed Minister for Foreign Affairs.

Most may also remember the end of that brilliant young man: on January 11, 1944 by order of his father-in-law "under the influence of that circle of prostitutes and white slavers which for some years have plagued Italian political life" (as Ciano says in his last entry written in the Verona Jail in December, 1943) he was executed. His wife Edda smuggled the diaries out of Italy to Switzerland. There, an American pressman concluded a deal for world newspaper serial rights. The diaries, then, were photographed on microfilm but, according to Hugh Gibson's note, "in several places pages were removed from the diaries before they were turned over for photographing:" unfortunately, Gibson declines to tell us what those removed pages referred to. Did they by any means refer to Edda's role in the political play between Italy and Germany? Did they refer to private acts of Edda's, to what people called "Edda's escapades"? Or did they tell of more political matters—and if so, why was Edda permitted to remove them?

Beginning in January, 1939—the first event dealt with is Umbrella-Chamberlain's visit to Rome—the diaries give no information on all the manifold plots which finally lead to the foundation of the Axis and to Hitler's triumphal Caesar-like entry into the Eternal City. But they give lots of information on all the crimes and follies witnessed between 1939 and 1942.

To all those who still believe in fascism as a political idea and as something new compared with conservativism and liberalism, the Ciano Diaries may be a good eye-opener. They will understand, if they want to, that fascism, national-socialism and all they stand for are neither political systems nor political ideologies, but are based on tyranny, irresponsibility and that particular kind of brag and arrogance that can produce nothing but amoral decisions.

Mussolini, according to his son-in-law, wanted neither new provinces nor more colonies; he wanted war—and he got it. He started with Ethiopia, then took little Albania (Ciano describes exactly how that crime was prepared and carried out) and, finally, succeeded in entering World War II after the breakdown of France. In the meantime: the little, bloody maneuver in Spain. What Ciano, that disciple of a decadent political school tells about Franco's, the still unmolested "Caudillo's," civil war, may not be too agreeable to quite a few living politicians and diplomats but it is, no doubt, still more characteristic for Mussolini who, in January, 1939, flatly declared: "If Paris sends forces (to Spain) we shall unload thirty battalions at Valencia, even if this should provoke a world war."

The analysis of Mussolini, of the whole totalitarian system undertaken by Ciano is certainly unconscious. Ciano was a fascist. He followed his father-in-law wherever the latter's political ambitions ordered him to go and whatever they ordered him to do. He was, as Mr. Welles says, "a creature of his times, and the times in which he had his being are the least admirable mankind has known for many centuries."

The Diaries of Count Ciano that "amoral product of a wholly decadent period in Italian, and, for that matter, in European history" (Welles) are not only of historical importance but also of high psychological interest. All who share the belief that fascism and its varieties are not yet dead not only should read the book—because it will give them new weapons and will show them the degradation of the peoples subjected to totalitarian systems—but should see to it that it is read by those who, directly or indirectly, ridicule the shortcomings of democratic methods. Even where democracy has been corrupt it has not been as corrupt, as decadent, as degenerate as Mussolini's, Ciano's and the Germans' political credos.

Profit Sharing

DEMOCRATIC CAPITALISM by David W. Raudenbush. John Day Company, New York, 1946. *Reviewed by Gerhardt Neumann in the St. Louis Post-Dispatch.*

RAPID development toward state-controlled economies in other countries is both a challenge and menace to the American system, and we shall have to do some hard thinking to avoid economic isolation.

Economic security—even at the risk of less freedom, or none at all seems to be the underlying motive for the changes we have witnessed in the last 25 years. Will the capitalistic system be able to cope with this problem? This is the main topic of Mr. Raudenbush, a St. Paul lawyer. His aim is to find the social order which satisfies the largest number of demands.

The author believes our present is "yielding to managerialism" because it has been given "no opportunity to synthesize an answer to managerialism." The way out, he says, is a democratic capitalism which would give the masses what is due them and uphold the principles of free enterprise.

To improve the relations between labor and management, Raudenbush sees as the "optimum solution" outright ownership by officers and employes, a solution which would have to be adopted universally and joined with a practical policy of lowering prices. He does not want the stockholding group to be identical with the management-labor group, and wants every corporation to divide 66 per cent of its net profit between its employes and customers.

To solve the wage-price problem, he recommends that commitments be made at the beginning of a year on the strength of anticipation rather than certainty with final adjustments at the end of the year.

This theory rests on the conviction that concentration of economic power is harmful. The author advocates "razing the corporate pyramids and restoring the instruments of production to the organizational pattern which prevailed during the industrial phase of capitalism, when capitalists were primarily production men and not primarily financiers."

More specifically, he proposes a flat 66.6 per cent tax on the net income of corporations, with exemption for a corporation which had distributed 33.3 per cent of its net to its employes and 33.3 per cent to its customers.

In other words, a more equal distribution of the nation's income, according to this theory, would spare us the trouble from many labor difficulties. But it would be a sacrifice by the employers, and they should study the author's plan for the sake of social progress.

Things To Come

THE FUTURE POPULATION OF EUROPE AND THE SOVIET UNION. *Population Projections* 1940-1970 *by the Staff of the Office of Population Research of Princeton University. Published by League Of Nations, Geneva,* 1944. 315 *pp. Price* US$2.75. *Reveiewed by U.S.*

Europe will have a population of 668,000,000 by 1970 while the Soviet Union will have a little over a third of this—250,000,000 people. This is one of the results the authors arrive at by studying the past trends of population increase and the fluctuations of gross reproduction rates and their projection into the future.

This is, however, only one of the extremely interesting conclusions set forth in this study of European population trends and the one most likely to interest the man in the street. For those who desire fuller data, statistical tables, demographic charts etc., this book has all the answers. It is a veritable Mont Blanc of factual material.

Among the problems dealt with in the book are: The Pattern of Population Change in Europe, The Demographic Effects of War, Changing Age Structures, effects of War, etc. An ample bibliography is provided on the subject.

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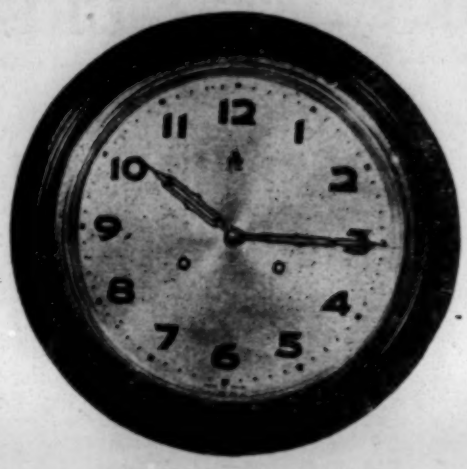

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TIME TABLE

54	52	2	4	6	58	8	10	車次 TRAIN NO.	53	51	3	5	1	57	7	9
4th Class	3rd Class	Tri. Exp.	1,2,3 Exp.	1,2 Exp.	4th Mixed	1,2,3 Night Exp.	1,2 Night Exp.	站名 STATIONS	4th Class	3rd Class	1,2,3 Exp.	1,2 Exp.	1,2 Tri. Exp.	4th Mixed	1,2,3 Night Exp.	1,2 Night Exp.
1.20	5.00	7.00	9.00	11.00	16.20	21.00	22.00	D 上海北站 SHANGHAI NORTH A	13.25	17.30	15.50	19.20	22.30	4.50	5.35	6.20
2.43	6.51		10.06	12.15		22.34		D 崑山 KUNSHAN D	11.50	15.51	14.50	18.05			4.28	
3.34	7.54	8.41	10.47	12.58	19.51	23.32	0.11	A 蘇州 SOOCHOW D	10.53	14.45	14.05	17.18	20.51	2.10	3.39	4.30
3.44	8.02	8.48	10.55	13.06	20.06	23.39	0.18	D 蘇州 SOOCHOW A	10.45	14.37	13.57	17.11	20.43	1.50	3.32	4.23
4.53	9.14	9.36	11.43	14.03	21.21	0.35	1.11	A 無錫 WUSIH D	8.52	13.28	13.09	16.17	19.55	0.10	2.39	3.30
4.59	9.20	9.42	11.50	14.09	21.31	0.42	1.17	D 無錫 WUSIH A	8.46	13.22	13.03	16.11	19.48	23.57	2.32	3.24
6.07	10.56	10.31	12.47	15.08	22.43	1.40	2.18	A 常州 CHANGCHOW D	7.38	11.45	12.13	15.10	19.01	22.45	1.42	2.35
6.30	11.07	10.41	12.57	15.18	23.03	1.50	2.28	D 常州 CHANGCHOW A	7.28	11.35	12.03	14.56	18.51	22.14	1.20	2.25
7.47	12.30		13.49	16.16	0.42	2.55	3.32	A 丹陽 TANYANG D	6.07	10.08	11.06	13.51		20.54	0.03	1.02
7.57	12.38		13.53	16.20	1.00	2.59	3.36	D 丹陽 TANYANG A	6.02	10.00	11.03	13.42		20.44	23.59	0.58
8.48	13.35	12.08	14.30	17.04	1.57	3.45	4.21	A 鎮江 CHINKIANG D	5.11	9.09	10.27	12.56	17.18	19.46	23.06	0.05
9.11	13.42	12.15	14.38	17.13	2.10	3.53	4.28	D 西站 WEST A	5.04	8.59	10.20	12.49	17.11	19.33	22.56	23.56
11.30	15.40	13.35	16.10	18.45	4.35	5.30	6.00	A 南京 NANKING D	2.50	7.00	9.00	11.00	15.50	17.00	21.00	22.00

FARE LIST

STATIONS 站名	Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI 上海							
KUNSHAN 崑山	52	2,800.	3,800.	1,400.	1,900.	700.	1,000.
SOOCHOW 蘇州	87	4,400.	5,400.	2,200.	2,700.	1,100.	1,400.
WUSIH 無錫	129	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGCHOW 常州	168	8,400.	10,100.	4,200.	5,100.	2,100.	2,600.
TANYANG 丹陽	213	10,400.	12,500.	5,200.	6,300.	2,600.	3,200.
CHINKIANG WEST 鎮江西站	243	11,600.	14,000.	5,800.	7,000.	2,900.	3,500.
NANKING 南京	312	14,800.	17,800.	7,400.	8,900.	3,700.	4,500.

滬杭線 SHANGHAI-HANGCHOW LINE

TIME TABLE

23	21	61	67	41	25	車次 TRAIN NO.	42	24	68	26	22	62
1,2,3 Exp.	West Lake Excur.	2,3,4 Class	4th Mixed	2,3 Class	1,2,3 Exp.	站名 STATIONS	2,3 Class	1,2,3 Exp.	4th Mixed	1,2,3 Exp.	West Lake Exc.	2,3,4 Class
6.45	7.50	8.10		14.50	16.40	D 上海北站 SHANGHAI NORTH A	13.05	13.30		18.00	20.00	22.35
7.04	8.06	8.36	9.36	15.15	16.59	D 上海西站 SHANGHAI WEST D	12.47	13.14	16.55	17.45	19.46	22.16
7.47		9.38	11.12	16.17	17.51	A 松江 SUNGKIANG D	11.42	12.28	15.31	16.58		21.12
7.52		9.43	11.45	16.22	17.56	D 松江 SUNGKIANG A	11.37	12.23	15.21	16.53		21.07
9.00	9.50	11.14	13.53	17.53	19.20	A 嘉興 KASHING D	10.06	11.16	13.20	15.45	18.01	19.37
9.10	9.58	11.23	14.08	18.03	19.30	D 嘉興 KASHING A	9.56	11.03	12.58	15.35	17.51	19.27
9.45		12.06	15.05	18.48	20.04	D 硤石 YEHZAH D	9.10	10.30	12.08	15.03		18.46
10.16		12.51	16.04	19.33	20.35	A 長安鎮 CHANGAN-TSENG D	8.22	9.43	11.02	14.29		17.57
10.21		12.56	16.20	19.38	20.40	D 長安鎮 CHANGAN-TSENG A	8.17	9.38	10.52	14.24		17.52
11.25	11.45	14.10	18.25	20.50	21.35	A 杭州 HANGCHOW D	7.05	8.40	9.00	13.30	16.05	16.40

FARE LIST

STATIONS 站名	Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI 上海							
SUNGKIANG 松江	45	2,400.	3,400.	1,200.	1,700.	600.	900.
KASHING 嘉興	99	4,800.	5,800.	2,400.	2,900.	1,200.	1,500.
YEHZAH 硤石	126	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGANTSENG 長安鎮	151	7,600.	9,200.	3,800.	4,600.	1,900.	2,300.
HANGCHOW 杭州	190	9,200.	11,100.	4,600.	5,600.	2,300.	2,800.

京滬區鐵路管理局

NANKING-SHANGHAI RAILWAY SYSTEM ADMINISTRATION

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